

YEAR-BOOK OF AUSTRIA 1920

FROM OFFICIAL SOURCES

SECOND SERIES



**1921
PUBLISHED BY THE RITZ ART & IMPORT COMPANY
NEW YORK**

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AFTER THE TREATY OF ST. GERMAIN.

The treaty of peace of St. Germain was signed September 10, approved by the National Assembly October 17, ratified by the President October 25 and came into force July 6, 1920. The peace had created a small helpless state, dispossessed of its most important industrial territories, unable to satisfy even its most urgent wants of life, almost without coal-fields, without raw materials, but with the Metropolis of a vast Empire and with an unnumerable host of functionaries and civil-servants, economically dependent from ill-disposed neighbours, crammed with public debts, inherited from the ancient Monarchy, and, above all, forced to assume all the unbearable burdens, imposed by the treaty. There were only two hopes: the chance of an efficacious help by the Entente for the economic reconstruction, repeatedly and solemnly promised, or the permission to enter in the pale of the great German Mother-country.

Those hopes encouraged the two political parties, the Social-Democrats and the Christian-Socialists, to ratify the treaty of peace in the National-Assembly. This having done, the two parties formed a coalition for the purpose to save the country from the imminent danger of despair and starvation.

The first duty proclaimed by all parties in the Parliament was to gain the confidence of the world abroad, especially of the adversaries of the immediate past, by fulfilling loyally, as far as possible, the stipulations of the treaty of peace. The National Assembly hastened to carry into execution its essential provisions, most of them even before the ratification by the co-signatories.

Besides the manifold tasks resulting from the treaty of peace, as: surrender of the military effects, disbandment of the Militia and establishment of a new army of mercenaries, there was also other most urgent and difficult business at hand. The food-supply

was to be secured, the trade maintained or newly started, the agricultural labour revived, the legislative work for the new wants of the democratic Republic initiated and, above all, a constitution to be given. One of the most arduous problems was to enter in friendly relations with the neighbouring states, which had formed once, with German-Austria, a single economic body, connected by thousands of economic links, cruelly broken by the peace. Commercial treaties were to be negotiated, questions of inter-communication to be settled and the mutual prohibition of trade to be abolished or at least mitigated.

But first of all, the government endeavoured to import, on credit, sufficient quantities of food and raw materials. In fact, owing to the depreciation of the currency, Austria can buy only on credit the means necessary for the reconstruction of the annihilated economic life. If Austria cannot import sufficient quantities of coals and raw materials, she cannot produce the manufactured goods destined to pay off her debts contracted for the food-supply, she cannot restore the financial equilibrium and free herself from the charity of the Universe. None of the means, calculated to reduce the public debt, was left out of account: heavy charges on all kind of property, confiscation of a certain portion of personal property, avoidance of all unproductive expenditure &c. But the most incisive financial measures will prove ineffectual as long as Austria cannot import mineral coal and raw-material for her industrial enterprises, nor artificial manure and concentrated forage for her agriculture; whilst Austria cannot freely export to her neighbours, she cannot recover herself. The economic machine of Austria, stopped by the sentence of St. Germain, can only be restored to motion by the Entente. The Austrian crown-currency, fallen to a fiftieth, even to a hundredth of its original value, has ceased to be a mean of financial transactions in foreign countries. The rate of exchange will not rise far above zero, as long as the furnaces are shut down and the industrial works out of working order. The worthlessness of the currency in a country without proper resources leads to fantastically high prices; the public expenditure rises far beyond all bounds; the minister of finance is obliged to keep in uninterrupted motion the bank-notes-press. The results are: a further depreciation of the currency, a new rising of all prices, fresh requests for higher salaries of

public and private employees, increase of the deficit, more work done by the banknotes-press; so the vicious circle is closed. Austria can be saved only by abundant credits at long delays, rendering her independent in her imports from the ever-changing rate of exchange by the establishment of a fixed rate of exchange between Austria and the gold-standard countries, as well as by the removal of all hindrances from the free development of her economic life.

THE FINANCIAL POSITION.

Austria is not viable under the present conditions! This is a truth proved daily by the rate of exchange of the Austrian krone. Bills from Vienna were sold, December 9, 1919, in Zurich at 2.75 cent., the exchange raised a little in the following months, but had fallen afresh, January 27, to 1.60 cent. During another crisis, April 1920, the exchange in Zurich was 1.45. The maximum level was attained May 29 with 4.25; since this date, the exchange retrograded, with a variable speed, but without interruption. December 20, 1920, bills from Vienna were quoted at Zurich 1.30, the Viennese bank-note 0.90. But the spectacle of the Central exchange office in Vienna is far more pitiable, if the rates of ultimo 1919 and ultimo 1920 are compared. Bills from Amsterdam, London and Zurich have risen 350⁰/₁₀₀, the dollar 400⁰/₁₀₀, the Czechoslovak crown 250⁰/₁₀₀ and the mark more than 300⁰/₁₀₀.

The fiduciary currency was, December 31, 1919: 12 milliards, December 31, 1920: 30.64 milliards kronen. The rapid multiplication of paper currency depreciates the value of the krone at home and abroad. The depreciated paper money influences directly the public expenditure, but muddles also in a disastrous manner the private household economy. Although the monetary crisis seems to have the effect of a stimulus to exportation, this purely imaginary advantage is largely overbalanced by the difficulties in maintaining in working order the national industry, paralysed by the enormously enhanced prices of raw materials from abroad. Only foreign financial help could set the Austrian industry on its feet, but on conditions not leaving any margin to the Austrian employer. What alone dissipates all delusions about a renewal of Austrian industry, are the growing difficulties in the daily life of the workers, forcing them to claim for ever increasing wages

and making unavailable all attempts at correct calculation by the employer.

The budget for 1920/21 expects a deficit of $12\frac{1}{2}$ milliards of kronen. By incisive measures in all branches of public receipt (imports, taxes, railway, post, telegraph and telephone tariffs), these receipts augmented from 6.3 to 20.7 milliards of kronen, equal to 228⁰ o, in the previous year. But these receipts were over-balanced by public expenditure, amounting till June 1920, to 33.104 milliards, against 16.873 milliards in 1919/20. In Dezember, these figures were widely overstepped; the further monetary depreciation only had effected a loss of 12 milliards, not 3.9 milliards as provided in the budget; the total deficit was about 25 milliards kronen.

Besides the losses on the exchange, the expenditure for rationed food supply at low prices and the augmented salaries and pensions are the most important items on the expenditure side. The credits of a total amount of 9 milliards, which the Government was in command of for the period between July 1st and December 31, 1920, were entirely exhausted in November, mostly in the form of treasury-bills at $2\frac{1}{2}$ 0/0. In the beginning of November, the Government asked new credits for 3.6 milliards of kronen, for the financial requirements till the end of the year.

Since the exhaustion of the loan of 48 million of dollars, accorded by an American syndicate, Austria is obliged to buy by her proper means the necessary food-supplies. In this manner, the Austrian State suffers enormous losses by the exchange. For the production of the daily bread (rye-flour mixed with 30⁰ o of maize), Austria borrowed till the end of 1920: 128,940.000 florins (Neth. Curr.); according to the exchange of ultimo November 1920, this figure corresponds to 20.44 milliards kronen! Whilst the price of the rationed loaf was, since 1914, raised from 33 to 600 heller, the State suffers, from this only item, an annual net loss of 18 milliards! —

Only vegetal fats are managed by the State, and produced from raw materials purchased in foreign countries. The commerce of animal fats has been abandoned to private enterprise, resulting in a formidable rising of prices. At the rate of 678 tons of rationed meat per week, distributed by the Public food-supply to particulars, the State sustains an annual loss of three milliards.

The Public food-supply purchases monthly 1.44 millions tins of preserved milk; the purchase money amounted to 100 millions kronen per month, the selling price to 30 millions; thus an annual loss of 840 millions kronen.

The total expenditure necessary for the purchase of foreign provisions in the next year (1921) is calculated by the Government at 85 millions of dollar. At the actual quotation of the dollar, the people of Austria could never, by the selling of the entire product of their annual labour, cover the expenses of the bare food-supply.

The losses sustained by the distribution of rationed food-stuff at low prices are certainly enormous, but they are quite unavoidable. But if this measures were withdrawn and the rationed provisions sold at cost-prices, the prices of all food-stuffs and all other necessities of life would rise to the same level, viz. the price calculated in foreign value and converted into kronen. Very soon, all articles and all services would rise to the parity of international commerce. The State would be obliged to buy all inland commodities at enhanced prices and grant its own servants adequate salaries. But it is just the moderate salaries and wages which enables Austria to export industrial products; these moderate wages are due only to the low prices of the rationed victuals. In the moment the wages should rise to international level, the Austrian industry would work under the highest cost prices, the transport costs for import and export being several times higher for Austria than for any other competing country. An industrial crisis and social upheaval, followed perhaps by bloody struggles, would be the immediate effect.

The progressive depreciation of the currency raises automatically all prices, even those of national production, for the national labour is dependent in all relations from the foreign countries. The same relation of cause and effect is observable in the expenditure for the public welfare, evaluated in the last budget at 15 milliards kronen.

It is very difficult to establish the present state of Austria's indebtedness. The total Public Debt of ancient Austria was calculated, June 30, 1920, at an amount of 108 milliards, including the losses sustained from the exchange. The share of German Austria in this figure is yet unsettled. Provisionally and subject

to an ultimate settlement, the Budget Commission had evaluated this share at 48 milliards kronen. The public debt of German Austria was, June 30, 1920, 14,900,000.000 kronen, therefore, the total indebtedness 60 milliards, necessitating an annual interest amount of 5 milliards of kronen. Calculated per head of the population, every citizen of German Austria was indebted, at the above mentioned date, with 10.000 kronen, and even considerably more so to-day.

The salaries and pensions are evaluated in the budget at 8,9 milliards, but have attained, at the end of 1920, nearly 12 milliards, equivalent to the moiety of the total annual public receipts. New Austria suffers from an alarming plethora of public servants, owing to the sudden retraction of the frontier-line and the flowing back to Vienna of innumerable servants of all branches of public administration after the collapse. The reduction of this host of public officials will be a matter of serious grief for the young Republic. To pension off indiscriminately all these victims of a force majeure would be a measure as cruel as useless. Out of the total number of 263.141 public officials of all description, about 40.000 could be dismissed without any inconvenience, saving thus about 440 millions of kronen or 2,2% of the annual public deficit, a result out of all proportion with the disastrous effect of such a measure. A certain number of these officials can be employed advantageously in other public services; but a radical reduction must be postponed till the moment, when, with the help of the victorious countries, the economic life of Austria will be restarted. Then, the ill-employed and ill-salaried public servants will run away quite spontaneously in search of a more remunerative position in the industry or in the commerce.

COMMERCE, INDUSTRY AND COMMUNICATIONS.

Old Austria-Hungary had, in the last years before the war, a passive commercial balance. Since 1908, the monetary value of the exported raw and manufactured articles was below the value of import-trade; since 1911, the bulk of importations outweighed those of exported goods. The deficit in weight was 6½ millions of metric quintals against 40 millions in 1913. The treaty of peace having ravished from Austria the richest and most flourishing

provinces, this disproportion between import and export trade was enormously enhanced.

During the second semester of 1920, the importations amounted to 20.7 millions of metric quintals, or 558,000 parcels, the exportations to 5 millions or 347,000 parcels only. Out of that total amount of foreign-borne trade, 70% was the share of the northern States, Germany and Czecho-Slovakia, 16% of Italy (including the oversea trade via Trieste) and Switzerland, 12% of Eastern Europe, Hungary and Yugoslavia, and 2% of other countries. The transit trade had engaged 3.4 millions of metric quintals. About two thirds of the whole transit trade was carried in the north-southern route, and one third in the west-eastern route. Commercial statistics of the second semester 1919 and the first semester 1920 show that Germany holds the first place in import trade and the third place in exportations. But regarding the value the figures of which are not yet published for 1920, it would appear that Germany holds the second place in the import trade. The total amount of importations in the above-named twelvemonth was 45 millions of metric quintals, whereof 18 millions from Germany, 15.15 from Czecho-Slovakia, 2.2 from Poland, and 2 from Italy. Out of the total amount of 9.8 millions exported goods in the same period, 1.9 millions were the share of Germany, 2.5 of Czecho-Slovakia, 0.4 of Poland, and 2.8 of Italy.

FOREIGN COMMERCE OF AUSTRIA

From January 1st to September 30, 1920.

(Quantities in metric quintals or in parcels.)

		Import:	Export:
Total quantities	in metric quintals (q) q	35,661.470	8,543.734
	in parcels (St.) St.	376,743	492,559
Colonial products	q	22,874	792
Spices	"	4,880	319
Southern fruits, agrumes	"	79,085	150
Sugar	"	509,071	72
Tobacco	"	29,929	1,183
Grain, malt, legumes, flour and other milled grains,			
rice	"	3,174.739	26.194
whereof:			
grain	"	1,719.743	26.137
malt	"	92.495	—
legumes	"	238.756	11

	Import:	Export:
flour q	984.835	25
other milled grains "	79.892	20
husked rice "	59.018	1
Fruits, vegetables and vegetable products "	1,598.223	99.569
whereof:		
fruits "	117.966	35.862
fresh sugar beet "	15.297	37.574
potatoes "	812.786	18
other vegetables "	556.971	2.540
seeds "	32.801	3.135
hay "	43.227	6.257
Cattle for slaughter and draught St.	11.580	1.757
Other animals (poultry, fishes) q	7.771	438
Animal products "	48.490	8.013
whereof:		
eggs "	13.513	—
honey (natural and artificial) "	13.757	1
hides and skins "	14.198	2.317
Grease and fat "	308.373	12.189
whereof:		
animal fat "	192.726	3.343
vegetable grease "	115.647	8.846
Fatty oils "	32.943	1.553
Beverages "	710.663	119.350
whereof:		
Beer "	118.468	43.332
Wine "	557.410	70.985
Articles of food "	419.226	18.052
whereof:		
Meat, fresh or preserved, sausages "	119.919	2.436
cheese "	18.754	14
Salted fishes and others "	52.591	—
Preserved milk "	55.437	3.699
other alimentary preserves "	101.543	5.000
Confectionery and sweetmeats "	11.411	5.000
Wood, coal and peat "	24,745.029	2,370.812
whereof:		
Fire-wood "	1,000.621	14.849
Timber and lumber "	123.280	2,255.996
Brown coal and lignite "	3,635.330	22.190
Black coal and anthracite "	18,409.152	103
Coke "	1,415.715	74.862
Raw materials for turners and carvers "	10.868	2.820

	Import:	Export:
Mineral products q	732.231	2,225.008
whereof:		
Building and quarry-stones "	85.588	55.369
Minerals "	31.444	889.015
Dyeing earths "	51.050	23.986
Natural phosphates "	92.299	—
Kaolin "	101.985	2.078
Clay "	102.214	9.052
Broken stones "	16.217	357.210
Sand "	135.636	49.644
Plaster "	3.791	165.308
Magnesite "	32	470.737
Pharmaceutical and perfumery products "	343	52
Colouring and tanning stuffs "	30.144	31.641
Gums, resins and turpentine "	47.763	5.854
Mineral oils, slate-tar "	323.874	3.731
whereof:		
Petrol, refined "	62.609	241
Benzine, refined "	63.830	1.352
Lubricant oils "	159.057	1.339
Cotton, cotton yarn and cotton goods "	121.407	52.939
whereof:		
Cotton "	82.173	16.093
Cotton yarn "	8.907	15.906
Cotton goods "	29.324	20.033
Flax, hemp, jute and other vegetable textile products, yarns and textile goods "	27.312	17.711
whereof:		
Flax "	1.097	65
hemp "	15.609	2
jute "	3.219	—
flax-, hemp-, jute- and paper-yarns "	930	1.981
textile goods of those "	6.166	10.720
Wool, woollen yarns and woollen goods "	37.159	14.676
whereof:		
Wool "	13.465	8.065
woollen yarns "	1.825	4.074
woollen goods "	21.860	2.537
Silk and silken goods "	3.759	3.170
whereof:		
Spun silk "	1.816	1.932
silken goods "	1.938	609
" "	746	7.952
Ready-made clothing and millinery St.	320.720	469.889
whereof:		
hats and hat-shapes St.	320.372	459.538
Clothing, linen and fancy goods q	720	7.536

	Import:	Export:
Brushes, brooms and sieves q	4.295	1.100
Other goods, manufactured of straw, canes, bark and other materials not specified in the customs- tariff „	4.371	752
Paper and paper goods „	128.102	514.094
whereof:		
Paper-pulp „	39.204	136.511
Cardbord „	22.688	159.492
paper „	40.216	176.410
Paper goods „	18.206	40.665
Rubber, gutta-percha and rubber goods „	13.807	7.620
Oil-cloth and derivative goods „	1.049	1.061
Leather and leather articles „	3.846	15.441
whereof:		
Leather „	2.600	2.073
Leather articles „	1.246	13.368
Furriery „	457	702
Wooden articles, turners and carvers articles . . . „	34.609	143.694
whereof:		
Furniture „	4.455	56.212
Glass and glass-ware „	110.440	54.630
Stone industry „	337.927	132.068
whereof:		
Cement „	292.067	85.895
Earthenware Industry „	187.392	212.459
whereof:		
Bricks and tiles „	121.870	190.008
Iron and hardware „	617.880	1,270.243
whereof:		
Pig-iron „	171.254	553.973
Ingots and bars „	111.736	183.968
Iron-plate and wires „	83.511	96.183
hardware „	251.379	436.119
Other base metals and derivative articles „	56.485	83.397
whereof:		
raw metals „	45.928	62.425
foils, sheets, plates, bars and wires „	6.115	4.647
wrought articles „	4.442	16.325
Machines and apparatus in wood, iron and base metals „	128.565	153.116
Electric machines and apparatus and electric plants „	10.091	38.297
whereof:		
Dynamos and electric motors „	3.820	13.131
Electric lamps „	1.068	5.475

		Import:	Export:
		q	72.907
		St.	4.668
		t	31
Vehicles			
whereof:			
Motor-cars	q	2.576	44.353
Goods-waggon for railways	"	3.506	13.249
Precious metals, precious and hard stones, derivative			
articles and coins	"	250	1.258
Instruments	"	4.262	11.947
Watches, watch-cases and mechanisms	St.	43.794	16.245
Salt	q	113.016	6.597
Chemical products and agents	"	492.191	324.135
whereof:			
Manuring salts	"	163.906	—
Carbide of calcium	"	46.644	4.647
Roasted phosphates	"	63.911	—
Roasted magnesite	"	747	52.579
Supersulphate of natrium	"	12	47.002
Carbonate of soda	"	8	72.266
Varnishes, colours, drugs and perfumes	"	15.706	20.920
Candles, soaps and wax-ware	"	8.694	4.376
Matches	"	296	56.005
Objects of art and books	"	21.256	16.244
Waste-substances	"	331.163	376.431
whereof:			
Scoria	"	32.620	246.637
Brans	"	126.723	1

Out of the productive forces of the old Habsburg Empire, German-Austria holds only 23% of the population, 30% of the industrial workers and 20% of the heating surface of the steam-boilers. But only 1½% of the annual output of coal is the share of German-Austria. Before the war, Austria has imported from Germany (Upper-Silesia) 4.3 million tons of coal annually. The output of these collieries has lowered to three-quarters of the pre-war amount, but modern Austria receives now a quantity far inferior to the share the same provinces had received from there in pre-war times, evaluated at a half of this share. More than 16% of the total coal-output of Bohemia were consumed by the countries now constituting Austria; to day, Austria receives but a third of this amount and that in brown coal of a very inferior quality. This fuel is to be paid at exorbitant rates or in iron-ore and iron-waste of which Austria herself is in a most urgent need.

Under those conditions, Austria is surrendered to the discretion of the coal-producing countries. Liable to submit to all conditions and to pay any price. Austria must pay the German coal at a rate superior by 100 marks per ton to rates valid in Germany; for Czecho-slovak coal, Austria is submitted to an extra consumption-tax of 30%, without counting the transport fees, settled arbitrarily by the Czecho-slovak Government.

The conventions made between the State or particulars and Czecho-Slovakia, Poland and Silesia in order to secure the necessary fuel, do not cover more than 40% of the required amount. But even this small quantity is never delivered regularly or is not delivered at all, so that during the first nine months of 1920, only 26% of the promised amount was delivered. If Austria could import the whole amount of coal necessary for household and industrial consumption, she would be liable to pay annually, at the exchange-rate of autumn 1920, the gigantic sum of 19 milliards of kronen, inferior to the sum evolving from the exchange-rate of ultimo 1920.

The total quantity of coal required for industry, communication and household purposes is evaluated at 1,326.950 tons monthly or 15,923.400 tons annually. The total quantity effectively disposed of (imports and home-production) amounted to 4,824.123 in 1919, and 6,469.000 tons in 1920. January 1919, the percentage was 27.2%, in December 1920: 41.0%. The beneficial influence of this ameliorated situation is exhibited in the following figures, showing the percentage of supplied deficiencies in fuel in different industries:

	January 1920	October 1920
	%	%
Textile industries	17.4	40.2
Leather "	18.3	43.9
Wood "	5.1	49.9
Paper "	32.5	52.2
Mining "	20.7	42.9
Salt-works	58.1	67.5
Chemical industries	14.9	43.3
Glass and pottery industries	25.5	48.1
Building industries	12.1	27.1
Monopoly of Tobacco	26.7	26.2
Alimentary industries	31.9	33.4
Metallurgical "	39.7	48.3

These satisfactory results have been obtained by using the most strenuous efforts to enhance the importations and to develop the home production of coal.

The output of the Austrian collieries has augmented since 1919 by a fifth (from 2 to $2\frac{1}{2}$ millions of tons), thanks to the indefatigable exertions of the owners and the good-will of the miners, having sacrificed even their Sunday rest, notwithstanding the serious difficulties arising from the inadequate and insufficient food-supply. This comparatively important rise in the annual output proves that the Austrian collieries could double their production in a short lapse of time by a sustained cooperation of all interested parties. It is true, Austria will always be dependent from foreign imports of coal and will never be capable of satisfying the demands, especially in gas-coal, the collieries in the Austrian area yielding almost exclusively brown-coal or lignite of a very inferior description, only a twentieth producing first class black coal.

Owing to the insufficiency of coal-imports, the products of the Austrian industry are reduced to about a quarter of pre-war quantities. The paper manufacture, once one of the most flourishing branches of Austria's industry, working exclusively on inland raw-materials, was occupied in 1920 only with 20% of its entire capacity, the textile industry with 25. to 30%. The electrical industry, having hitherto always worked for exportation, had attained in 1920 only a third of its pre-war export-amount. The production of salt is reduced to 40%, nay to 30%. The iron-ore mines had an annual output of 600.000 tons, in 1920 they had produced only 50.000 tons, a twelfth of the pre-war production. The "Alpine Montan-Gesellschaft", to-day the biggest industrial concern in Austria, wants a monthly supply of at least 5000 waggons of coke. The Austrian collieries not being able to supply any part of this want, the Alpine Society is reduced to 250 waggons from Germany and 1000 waggons from Silesia (Mährisch-Ostrau) per month. Therefore, the Society was obliged to blow out six blast-furnaces out of the seven in working before the war. In the face of this penury of coal, the most stringent measures of economy must remain ineffectual.

The coal disaster has directed the views of the public to the exploitation of what is called the white coal, viz. the hydraulic powers of running water. German-Austria disposes of an enormous

amount of this latent forces. The kinetic forces of the great rivers in the Austrian Alps are calculated, on the strength of scientific observations made during a period of several years, at 1,700.000 H. P., the total amount of all the water-courses at about 3 millions H. P., whereof 2,250.000 H. P. economically productive! Only by electrifying the traction of the Austrian Railways in the Alps, an annual quantity of 7 millions tons of coal out of the total 15 millions could be spared. As long as the coal and petrol were available at very moderate rates and in practically unlimited quantities, the question of the white coal was of secondary importance, the remunerative working of electrical power having been very often questioned owing to local conditions. On the other hand, the military authorities had been against the electric traction of the whole network of railways in the Alps. As the matter stood, only 10% of the available hydraulic forces were utilised at the beginning of the war.

The plant for electrical traction of the Austrian State-railways in the Alps, about 650 kilometers or a seventh of the total length of State-railways in Austria, could be realised by the construction of five generating central stations; this work would demand about five years. Also private initiative has seized the opportunity, notwithstanding the deplorable monetary conditions. Thirty-seven new stations generating electric power by hydraulic forces are under construction or in working order since 1920. In order to provide Vienna with electric current, the Danube will be utilised, along with the productive gradient of the Enns and Ybbs rivers, yielding an approximate amount of 280 to 400.000 H. P. But the construction of electric force stations requires both coal and capital; therefore all these schemes could not be realised without the support of foreign capital. The lucrativeness seems to be above all doubts, as only a fifth of the total demand of electric force is supplied by the existing stations. The cost of construction per H. P. was 160 \$ in 1913, but only 100 \$ in 1920, owing to the depreciated Austrian currency.

Besides coal, there are many other important raw materials wanting in Austria. Only wood, magnesite, iron ore and salt are superabundant. But the lack of coal hampers a rational exploitation of the riches in iron ore, making impossible to restart the blast furnaces. The cement production suffers from the same

causes, as the brick and tile industry too. The wood-industry and furniture manufacturing, once very flourishing, have worked especially for exportation. In 1919, the sudden fall of the Austrian krone has offered a momentary chance for exportation; but a slight bettering in the exchange had stopped at one stroke this movement; since then, in spite of an ever increasing depreciation of the Austrian currency, the chance has never reappeared. Austria has, in his Viennese manufactures, a large stock of skilled workers in all branches of higher craft; the Vienna fancy articles, once renowned far abroad in all quarters of the world, were produced by men of a refined taste and high manual skill. But now, those articles of a comparatively high price are not more at the reach of the financial means of the average Austrian, and cannot be exported for the sake of prohibitory measures against articles of luxury in almost all countries.

Other branches of business, once very remunerative, cannot be restarted without the importation of raw materials, e. g. the textile, metallurgic, chimical, electrical, or alimentary industries. Most of these establishments had worked principally for export-trade and could offer all rational securities for foreign investments in raw-materials and coal.

AUSTRIAN RAILWAYS.

(besides those in the territories occupied by foreign Powers January 31, 1920).

		length in kilometers	
		single lines	double lines
State Railways	worked by the State	4.289.968	1.093.275
	worked by private Companies . .	2.149	2.149
Private Railways worked by private Companies .		1.971.199	434.168
		<hr/> 6.263.316	<hr/> 1.529.592

The new frontier-lines, dictated by the Peace-treaty, had severed from Austria several junctions of first importance. Big establishments for the passenger and goods-service near the frontiers have been lost; the new frontier stations are neither calculated nor suitable for their new functions. The great lines of international traffic have been broken up, and only worthless stumps remained on Austrian territory. A merchant, wishing to send his articles to Italy, is obliged to handle four different railway-tariffs and to calculate in four different currencies. The railway merchandise-

tariffs are exceedingly high, a consequence of the economic pressure in autumn 1920. Now they are about fifty times as high as in 1914. In spite of these rates, the expenditure exceeds the receipts by 1,400,000.000 kronen. In the neighbouring States, the tariffs are not less prohibitive in proportion to the rate of exchange. After all, the oscillations of the exchange paralyse all efforts to establish rational business calculations. The existing difficulties owing to trade regulations, official interference in all commercial matters, export or import prohibitions, are infinitely enhanced by the intolerable and humiliating vexations in passport and personal control matters on the frontier, paralysing all personal commercial intercourse.

Like the other industries, the transport business suffers from lack of coal. Between the industry, unable to maintain the means of communication in good repair, and the means of transport being quite inadequate, there is a vicious circle very difficult to overcome.

Eastern 1920, the total lack of coal had caused an entire interruption of the railway service for several weeks. Since then, the situation had ameliorated a little; a stock of coal, sufficient for a few days, had been accumulated in order to avoid the irrational management, unavoidable when the stocks are almost completely exhausted. Also the railway workshops have been set in working order lately.

THE UNEMPLOYMENT.

Owing to the general industrial crisis, many of the Austrian workmen are reduced to idle during several months in the year. Even the most skilled hands in the luxury branches, e. g. in the graphic arts, are obliged to shift. In order to reduce the growing number of unemployed workers, the Government had enacted in 1919, that every industrial business must engage a surplus of one fifth of the average pre-war numbers of workers. But in consequence of the lack of raw materials, neither this surplus nor the ordinary number of workers could be employed continuously; therefore the costs of production increased disproportionately. But owing to the exhaustion of the international stock in manufactured goods in the beginning of 1920 and the fall in the exchange of Austrian currency, exportation was nevertheless possible, reducing sensibly the number of unemployed.

The oscillations of unemployment are shown in the following table:

RATES OF UNEMPLOYED WORKERS:

	1918				1919			
	Dec. 1 st	Feb. 1 st	Apr. 1 st	May 1 st	June 1 st	Aug. 1 st	Oct. 1 st	Nov. 1 st
Vienna (town) .	24503	113905	126906	131500	127556	113379	96300	73023
Whole Austria .	45675	161803	178562	185238	170935	133400	112340	87107

	1920						
	Feb. 9	May 1 st	June 5	July 3	Aug. 14	Sept. 11	Oct. 23
Vienna (town) .	51979	35956	16005	18321	20550	17964	13028
Whole Austria .	64483	46850	20510	22956	24184	21056	15046

Against the total number of actual industrial workers, only 3.5% are unemployed. Between November 18, 1918 and March 15, 1920, the State had paid 370 millions of kronen in assistance to unemployed workers; taking in account the additional expenditure by the Vienna Municipality, the total amount of assistance to unemployed was about 447 millions. In order to substitute the official and obligatory assistance by the State, enacted by an emergency law after the collapse of the Empire, the law of May 1st 1920 instituted the obligatory insurance against unemployment. The public treasury, the employers and the employed have each an equal share of one third in the expenditure of this service. The public sick-fund-offices are charged with the receipt and management of these contributions, collected simultaneously with those for the sick-fund. The subsidies are granted all workers having been actually employed in industrial enterprises during twenty weeks in the twelvemonth preceding the unemployment. In the future, the subsidies will not be paid for more than twelve consecutive weeks. The maximal amount of subsidy is fixed at 80% of sick-subsidy for married workers and at 60% for bachelors. The Government is authorised to enhance, transitorily, the subsidies to 100% and 75% respectively, and to protract the term of subsidies to twenty consecutive weeks.

SUBSISTENCE.

Austria is wanting not only raw materials but also food-stuffs. The old Austrian Empire too had been dependent on importations, although 37% of the entire population had provided

themselves with food (as against 19% in German-Austria). In pre-war time, out of 144 kilogr. of flour per head and year, 46 kilogr. were to be imported from abroad.

German-Austria in her present frontiers produced formerly about a fifth of her total consumption of grain. In consequence of the ruthless exhaustion of the soil during the war and of the lack of artificial manure, the crops have materially diminished, so that in 1919, German-Austria had harvested only 4.5 millions of m. qu. of grain; this figure, after subtracting 15% for seeds, and counting 72% as the outcome of the milling process, means a daily ration of 103 grammes of flour per head and day, against a daily pre-war consumption of 386 grammes per head. German-Austria was thus able to provide in pre-war times only 27% of her want. For the exceptionally fine harvest of 1920, the Ministry for Agriculture calculated a total crop of grain of 5.3 millions of m. qu.

DISTRIBUTION OF SOIL IN SQUARE KM.

Arable fields	Meadows and Pasturages	Gardens	Vineyards	Forests	Unproductive
18,026	21,155	957	510	29,763	7,780

HARVESTS ON 17,906 SQUARE KM OF TILLED LAND:

(official communication to the Commission of Reparations)

in millions of m. qu.

	absolute	thereof proper for human consumption
Wheat	1.68	1.27
Oats	2.18	0.10
Rye	3.01	2.25
Barley	1.13	0.40
Maize	0.73	—
Potatoes	8.31	3.60
Sugar	—	0.08
Pulses	0.05	0.04

HARVESTS ACCORDING TO OFFICIAL ESTIMATIONS

	per hectare	
	Average 1909/18	1920
	m. qu.	
Wheat	12.4	10
Rye	11.8	9.9
Barley	11.4	10.8
Oats	10.5	8.5
Potatoes	78.2	75

For the needs of the non-agricultural populations, the farmers are obliged to deliver to Authority a contingent of 110.000 tons of grain. Suppose the whole amount of this contingent were delivered — but that is not true — 570.000 tons would be lacking to cover the entire want. For the feeding of cattle and for industrial purposes, more 100.000 tons of maize and barley are required. But it is necessary to bear in mind that only a pound of flour and two and a quarter pound of bread is the official weekly ration per head. In 1913, Vienna consumed eight millions of kilogr. of bread in the week, in 1919 only 2½ millions; in 1913, one million of kilogr. of flour was consumed weekly in Vienna, in 1919 only half a million. Between July 1920 and July 1921, 73.400 tons of potatoes ought to be delivered to the authorities by the farmers. Counting 60 kilogr. at least per head and year, this figure shows a deficit of 247.500 tons for German-Austria, without counting the feeding of cattle and the seed. The only four sugar-factories existing within the territories of German-Austria, (180 in the whole Empire) have an output of 12.000 tons per year. But the minimum consumption, at the war-rate of 0.75 kilogr. per head and month, as against 2 kilogr. in pre-war times, requires an additional amount of 100.000 tons, not counting the quantity of 38.000 tons for industrial purposes.

In consequence of the terrible diminution of the live stock during the war and the severance of vast agricultural tracts of first importance by the Treaty of Peace, the dairy service of German-Austria is utterly disabled. In 1913, Vienna was provided with 850.000 liters of milk per day, but nowadays only with 60.000 liters. To supply the deficit, Vienna wants 540.000 chests of tins of preserved milk at least.

Austria is now able to provide only 24.000 tons of meat. The amount of importations to cover the deficit would be 17.000 tons for the year ending with July 1921, at the basis of 120 grammes per head and week (in pre-war time: 595 grammes); only 2600 tons of fats were raised during 1920.

Even when the Government had succeeded in making the necessary conventions about the imports of food-stuffs, the schemes for the food-supply are very often frustrated by difficulties in transport-matters, resulting in a serious crisis in the subsistence of the people, like that during November 1920. The bread was

totally unfit and uneatable, so that the public refused to buy it; without a prompt help from Germany and Switzerland, the daily bread and flour rations could not have been maintained.

There was much talk about the exorbitant workers' wages in Austria in the foreign press, owing to misrepresentation and deliberately false reports, in order to show the luxury of the daily life of the Austrian worker. In reality, the proportion between wages and prices of the first necessities is far more unfavourable now than before the war. The same observation is to be made for the public and private servants and all persons living on fixed salaries. The public servants are enjoying, it is true, the favour of not being exposed to unemployment, but their salaries are far from raising to the level of the wages of qualified factory-hands, working in enterprises under a momentary bloom. All classes of Austrian people are generally underfed and therefore, their working capacity is enormously shattered.

The prices of rationed food-stuffs have risen, since pre-war time, about twentyfour-fold, the other first necessities of life much more, without considering the prices of the back-door-trade.

The following comparative table, containing the average weekly expenditure of an average Austrian family of three members offers an impressive picture of the astonishing prices of victuals, noted in the second half of December 1920, but materially surpassed now, excepted the rationed victuals.

	1914	1920
	austrian crowns	
3 kilogr of wheat-flour	1.20	150.-
5 " " rye-flour	— .90	250.-
$\frac{1}{2}$ " " pore	1.20	190.-
1 " " cabbage	— .16	7.-
1 " " rice	— .44	60.-
1 " " peas	— .40	32.-
1 " " lentils	— .56	62.-
1 " " groats	— .44	50.-
1 " " peeled grains	— .36	32.-
1 " " fat	1.80	250.-
3 " " potatoes	— .30	30.-
1 " " salt	— .14	8.50
1 dekagr " cummin	.02	1.-
3 pairs of little sausages	— .50	60.-

	1914	1920
	• austrian crowns	
$\frac{1}{2}$ liter of beer	— .16	4.50
$\frac{1}{4}$ " " wine	— .20	14.—
1 " " milk	— .20	14.—
3 eggs	— .30	36.—
total	9.28	1251.—

These figures show the rise of the expenditure on subsistence to the hundred and thirty-fold, compared with pre-war prices. The salaries and wages have been left far behind this dearness. Sir William Goode calculated the rise of the wages of industrial workers at twenty to thirty times, of railway-men at twelve to fourteen times, for State-officials, bank-clerks and others at ten times the pre-war level.

This disproportion between income and expenditure, enhanced from time to time by fresh waves of general dearth, leads infeluctably to permanent unrest and claims for higher wages, endangering the economic and public life by strikes. It was only thanks to the discretion of the workers and employees and thanks to the conciliatory interference of the Syndicates and public Authorities that Austria was exempted till to day from serious social troubles.

But nobody is capable to prevent the physical consumption of the people, a chronic disease diminishing the working power and destroying the very root of the vital energies. The figures of the vital statistics show a vivid picture of this serious illness.

During the war, the number of living births was steadily diminishing in Austria, the number of deaths, above all the deaths by tuberculosis increasing. The increase of deaths affected all classes of ages of both sexes. After the war, there have been many notable changes in the figures. The number of living births augmented, between 1918 and 1919, from 90.921 to 109.392, viz. more than 20%. All the provinces shared this increase; in Vienna, there were 5090 more births in 1919 than in 1918. The number of deaths (civil population) decreased from 161.113 to 123.837 between 1918 and 1919, viz. more than 23%. But it is necessary to insist upon the fact that in 1919, the influenza had taken away in Austria more than 20.000 persons, but in 1920 had lost most of its virulence. The death-rate decreased equally in all the provinces; in Vienna, it was 4.713.

Notwithstanding the increase of living births, the birth-rate is very small; but the death-rate is very high, although the deaths having decreased. In 1919, for every 1000 inhabitants, there were returned 18 living births and 20.4 deaths, resulting in a deficit of 2.4 births. During several months, a slight amelioration was ascertained; but in November, the death-rate was higher than in any year—November 1918 excepted—since long ago. The highest figures are concerning the heart- and vascular-diseases, not more the tuberculosis as in the previous period. But in Vienna, the tuberculosis is still growing (9809 deaths in 1919 against 8950 in 1918).

The excessively high death-rate in Austria is therefore not due to epidemics, but to the dearth and general misery. The infectious diseases, the Health-office is able to combat, have not increased.

Only a general reconstruction of the public life could ameliorate the public health in Austria. The large majority of the people live in a state of utter misery; the number of those, whose chronic enfeeblement has turned to an incurable disease is growing every day. The Austrian people has not yet been stamped out totally by sheer famine, but the birth-rate has fallen to a level only known in aborigines of remote countries, condemned to extinction. Amidst the thousands of underfed children and women, the "white death", the tuberculosis is making terrible ravages.

ALIMENTARY AND HYGIENIC SITUATION OF THE YOUTH.

The long war and, more than the war, the consequences of the great struggle, had a pernicious influence on the alimentary and sanitary conditions of the youth.

The children having been reared during the war are, generally speaking, visibly deficient in bodily strength, tallness and weight; rickets have enormously increased and materially contributed to the rise of the juvenile death-rate.

The Austrian youths have been, in recent times, often examined by medical men in the course of the general works of charity, especially in view of the distribution of meals and the returns of these inspections have been minutely registered.

The census of nursing mothers and suckling babies is entrusted to the "Maternity-offices". The school-boys and girls

have been repeatedly examined by the official school-physicians, responsible for the medical supervision of public schools, as well as by physicians appointed by private charitable institutions and by physicians in the service of the numerous foreign organisations for Austria's help. The children above 14 of age have been examined in the higher schools and art and crafts schools, by the physicians of the educational staff, many of these juveniles also by physicians in foreign service.

The mothers, not being able to buy artificial or ready made foodstuffs, nurse their babies at the breast as long as possible, six months, nay nine or twelve months. The sanitary condition of these babies is therefore quite satisfactory.

But the sanitary condition of the little children (from one to six years of age) is extremely bad, almost everything wanting, or being too expensive, such a child is in need of after the suckling period. In the open country, conditions are somewhat better, but much the worse in industrial centres, above all in Vienna.

In spite of the humanitarian work of the "Society of Friends" for the rescue of little children, the returns of the medical examinations, made in the beginning of the winter 1920, were most unsatisfactory. 85,000 boys and girls were examined; 10% only were returned in the class "good", 90% as shattered in their physical strength. 18% of those boys and girls were returned as sick, thereof 5% suffering from chronic diseases, condemned to a life-long sickness.

Also the dwellings of those ill-fed children were visited; 42% of these dwellings are unfit, dark, ill-aërated, damp or crowded, 47% thereof not containing berth-accommodation for the children.

The number of underfed boys and girls is as equally high in the so-called middle-classes, living on fixed salaries or occupied in free vocations, as in the industrial working classes. Even in the classes of commercial and industrial employers, the alimentary conditions are not much better.

Out of 50,000 children of less of six years of age under medical inspection, 33% suffer from rickets, 14% from anaemia. The comparatively small figures of tuberculosis is due to the fact that only ambulant children were returned, children in bed not being included in the census.

Detailed particulars have been obtained for the alimentary conditions of the Vienna school-going youths (from 6 to 14 years of age). About 130,000 girls and boys have been examined in Vienna, 90,000 in Lower-Austria. In spite of the munificent help from foreign countries, the alimentation of this class of youth is highly deficient. Only 28% of all these boys and girls were classified as "good" and "middling", 72% as "bad" and "very bad". The beneficial influence of foreign help is clearly shown by the fact that girls, largely favoured by foreign families and other benefactors and staying much longer time in foreign countries, have a comparatively very large share in the "good" and "middling" classification.

44% of all boys under medical inspection were returned as "very bad", against 38% of girls; the classification "bad" was returned for 33% of boys and 28% of girls, "good" for 7% of boys and 14% of girls.

About 85,000 examined school-boys and girls were returned "very bad", 65,000 "bad", against 20,000 (10%) "good".

The classification had been established on the basis of exhaustive and minute measurements and weighing.

MEDICAL ASSISTANCE FOR THE YOUTH.

The unhappy state of things appealed to an effective organisation of official alimentary and medical help for the children. An exhaustive scheme for assistance was drafted, the existing charitable organisations incorporated in the official work and the private institutions largely provided by the State with victuals, fuel and money in the measure of available means.

In several larger towns, Children's Assistance-Boards were founded, in all provinces a Provincial Children's Assistance-Board is working. In Vienna, the works of private charity are amalgamated in two great corporations: the "League of voluntary Children's Assistance" and the "Charitas". The supreme board for all matters concerning infantile and children's assistance is incorporated in the Ministry for Social Administration.

The Inland Children's Assistance is divided in the following branches: 1. Food-help for nursing mothers and suckling babies, 2. Assistance for homes, asylums and similar institutions for abnormal, crippled, tuberculous and rickety children; 3. distribution

of meals for children (monetary assistance for working expenditure); 4. holiday organisations; 5. Collecting office.

All nursing mothers and suckling babies are officially entitled to receive State-subsidies. The number of babies assisted by these subsidies in form of food-stuffs were 194.034 (only in towns and industrial centres, but excluding Vienna).

Austria enjoys a very large number of private institutions of every description for assistance to children. In the first instance, the orphanages, orphan-asylums and homes are to be mentioned, numbering in all 120; furthermore, 50 educational institutions, and about 80 infant-homes and asylums. For suckling babies and little children: about 200 crèches and children's homes, the same number of kindergartens, 200 day-time shelters for school-children, 20 apprentices' homes and 100 evening-homes for girls and boys employed in industrial or commercial work. A certain number of holiday-institutions, especially for children engaged in business, have been transformed lately in standing country-homes. This most beneficial progress was obtainable only by the means of foreign help. Also disabled and crippled children are provided for by some deaf-dumb and blind children's homes, lately also by the foundation of a kindergarten and a home for deaf-dumb-blind children.

The sanatorium for tuberculous children in Vienna, called "Spinnerin am Kreuz" (400 beds) has enjoyed the special care of private benefactors. Thanks to the munificence of the Swedish Red Cross, this institution has lately very effectively developed its activity. Another institution, virtually a day-time home for 100 tuberculous children, yielded similarly good results, also thanks to foreign help (Society of friends, League of American and of Danish Women). In the same manner, the Sanatorium of Grimmenstein (400 beds) for children suffering from tuberculous osteomalaxia, is kept in working order by the Swedish Red Cross. —

The Vienna school-children have been afforded with a holiday-stay in the country. With the help of the Youth's Assistance Board and private charity, most of them were enabled to sojourn six or eight weeks in a holiday-colony or in special homes. A considerable number of children were sheltered by farmers against a slight allowance. In all, about 50.000 Viennese children spent a holiday in Austria.

A Christmas-Collection, organized by the Minister of Social Administration and devoted to the Assistance of the Youth, had yielded many millions of kronen. A similar enterprise made by the Society of Friends, had also resulted in a very large sum of money.

In spite of all these exertions, neither the Assistance of the State and the Municipality of Vienna nor private Charity can possibly triumph over the steadily increasing misery in this battle to provide the strict necessary amount of food and to rescue the youth from sickness and death.

But the early succour from abroad, beginning already in autumn 1918 and concentrating all its efforts to the salvation of the youth, was the greatest blessing in this terrible struggle.

The effectual work of the foreign Committees in favour of the Austrian Institutions of Assistance for the Youth is divided as follows: 1st help for the pre-school age; 2^d help for school-boys and girls by sending them in foreign country during the holidays, by distribution of meals, clothes, linen, footgear and victuals. (The two last-named actions extend the help also to juveniles.)

Suckling babies and little children (till six years of age) are under the special care of the Society of Friends, whose action had begun with the guidance of the Director of the State Maternity-Office and extended its beneficial influence in ever increasing proportions. The census of suckling-babies and little children is carried through by the Maternity-Offices, having been in existence before the break-down of the Empire and multiplied since. The total number of such offices stands now at about 350, whereof in Vienna 42, in Lower Austria (without Vienna) 173. The suckling-babies, since lately also the little children, are weighed once in every week in the Maternity-Offices, are maintained under careful medical control and are provided, against a little contribution by the parents, with certain foodstuffs indispensable for the rearing of a baby, e. g. groat, cocoa, preserved milk, or fresh milk (only for sick babies). There, the babies are also provided with babies-linen and -clothes.

The British Vienna Emergency Relief Fund had aimed especially the reform of the boarding-system for children. To this effect, a large sum of money had been delivered by this fund to grant

the boarding persons higher allowances for their pupils. Hospitals habitually send their convalescent children in boarding-houses in the country in order to have at their command any available bed for children wanting immediate medical assistance.

But perhaps the most touching example of international solidarity in distress and calamity is the wide-spread action of boarding Austrian children in foreign countries. During 1919, about 40.000 Austrian children enjoyed foreign hospitality. In the first place, it was Switzerland, having sheltered, fed and clothed more than 20.000 children, Holland with almost 10.000, other countries, as Sweden, Danmark, Germany and Italy with the rest. During 1920, this work of charity developed enormously; in January, February and July, about 90.000 Austrian children stayed in foreign countries (total number till to-day 124.000), almost all of them in families. Switzerland and Holland go ahead also in 1920, followed by Danmark, Germany, Luxemburg, Sweden, Norway, Italy, Spain and Roumania (Transsylvania), finally England, Belgium and France.

The average duration of a child's stay in foreign country was about three months, but in many cases (especially in Sweden, Norway and England) much longer, six to twelve months. Many children are urgently invited to return in the next year; the recently dispatched railway-trains contained many children going for the second time to their fosterers. Quite recently, also little children under six years of age are sent in foreign countries, and many orphans have been adopted there.

In the average, after a stay of two months abroad, a sensible increase in weight has been ascertained; the average increase for such a time is about 3—4 kilogr., in certain cases till 5 and 6 kilogr. After a stay of four to five months, certain children had gained 10—16 kilogr. in weight. But all return home, bodily and mentally restored and invigorated.

A great number of foreign fosterers are in the habit of sending regulary food-supplies to their departed darlings, or remit to them money-orders enabling them to buy the necessary victuals. Many of the children are coming back richly provided with linen and clothes, others are helped by parcels of such articles, regularly sent to them.

Not only these advantaged children, but many others are provided with victuals, shoes and clothes by foreign charitable institutions. Above all, the Society of Friends, under the leadership of Dr. Clark, must be mentioned; they take care in the first instance for pregnant and nursing women, for suckling babies and little children; in the second line the Swiss Committee, the Danish Womens Ring, and the American Help for Children. The "dollar-parcels" containing victuals of the said American Help are distributed to Hospitals, Asylums, Convalescent-Homes and similar charitable institutions. An other work, destined to distribute fuel, had been organized by British initiative. At Christmas, the foreign works distributed large quantities of clothes, shoes and victuals.

Quite recently, the foreign help had shaped in the form of assuming the management of a certain given Austrian institution exhausted of all monetary means due to the general impoverishment. In this manner, the Swedish Red Cross manages the Vienna Hospital for tuberculous children "Spinnerin am Kreuz", the Dutch children's Committee the Home at Neulengbach for juvenile girls and, during the summer holidays, the student's home at St. Wolfgangsee. The Dutch Huisvestings-Committee maintains in Vienna and at Göllersdorf a Children's Home. A New-York German-American Committee for Help manages the Convalescent's Home for rickety children at Tivoli near Vienna. Another New-York-Committee (Vienna Milk Relief) inaugurated lately a Home in the barracks of the War-Hospital Grinzing in Vienna.

The school-boys and girls, suffering doubly, being ill-fed and therefore improper to fulfill the claims of the school, have been particularly helped by the distribution of meals, organized by the American Help for Children.

This magnificent action, inaugurated two years ago in the then existing popular kitchens in Vienna, had been extended in such a manner as to distribute now 300.000 daily rations, representing a monetary value of 4,500.000 kronen a day. Of this figure, 151.000 rations are distributed in Vienna, 45.000 in Lower Austria, 13.000 in Salzburg, 12.000 in Tyrol, 5.000 in Vorarlberg, 36.000 in Styria, and 11.000 in Carinthia. Also apprentices (in Vienna almost 14.000 rations) are now included in this work. The selection is operated by an exhaustive medical examination;

only underfed or suffering children are entitled to enjoy the distributions.

Swedish, Norwegian and Dutch works are concerned in the distribution of meals for about 20.000 juveniles.

THE SCARCITY OF DWELLING-HOUSES.

The lack of adequate housing is one of the most deplorable legacies of the great war. Especially in Vienna, the crisis has attained dreadful proportions, endangering seriously the public health. The two primary causes are: the deadlock in the building trade since the outbreak of the war and the reduction in the number of available dwelling houses, caused by the steady decay and dilapidation of houses, the proprietors not being able to provide for the necessary repairs.

January 31, 1920, the number of habitable houses in Vienna was 43.180, showing an increase of only 6.33% compared with 1910, against the normal increase of 13.8% between 1910 and 1900.

During 1920, the crisis had become even more alarming than in the previous years. Very often, two families are compelled to dwell, with their children, in a single lodging, composed of a chamber and a kitchen. All family-affairs, births, illnesses, deaths come to pass in the presence of all inhabitants in a single room, used very often as kitchen too. Very often also, the members of a numerous family are scattered about in every direction, provisionally harboured by friends or relatives, whilst the furniture are deposited in a warehouse. But this warehousing of furniture is far too expensive for the means of an average middle-class household in Vienna; thus, the furniture is sold piecemeal to the broker and in the very moment of getting a lodging, there is no furniture available. A specific and curious difficulty is arising from the lack of dwellings: neither the public authorities nor private enterprises can engage employees to come to Vienna, not being able to provide the required rooms to dwell in. Repeatedly, the Government was unable to nominate at a vacant professorship in the higher schools for the same reason.

Also in the suburban districts of Vienna, the houses of all descriptions are overcrowded; the cottages and country-houses, calculated only for dwelling purposes in the summer-time, therefore without fire-places, are now occupied also during the winter-time.

The reports of Public Assistance inspectors are crammed with heartrending particulars about the misery of inadequate dwellings: children born and reared in underground rooms, live in obscurity and dampness, the fuel, niggardly distributed by authority, barely sufficing to prepare the frugal meals. The immediate consequence is an overwhelming infantile mortality and an overcrowding of the hospitals with sick children.

The Vienna Municipality had made laudible efforts to reanimate the building trade by assuming the net losses of construction or granting the interests and redemption of invested capitals. The construction of a cluster of little dwelling houses, built under these conditions in Vienna, Margarethengürtel, containing 111 small and medium lodgings, was continued till 35 dwellings were finished. But the enormous rise in the prices of material, transport and labour, calculated in 1919 at 11 millions for the whole enterprise, had the effect that the building expenditure for one small dwelling stands to-day at 300.000 kronen, thus the total expenses for the whole work at above 23 millions of kronen. It is hoped that this expensive experiment will be finished in the first months of 1921. In autumn 1920, a settlement, managed by the Municipality of Vienna in the region of "Schmelz", was finished. It is a considerable cluster of little two-storied dwelling houses, containing in all 305 little and medium sized lodgings. The total expenditure was 100 millions of kronen, thus the average cost of each dwelling about 300.000 kronen. For another settlement, the expenditure was sensibly less; it is a colony near Vienna, at Gross-Jedlersdorf, founded by the "Cooperative Society of cheap dwelling-house constructions". The total amount of expenditure for 160 lodgings, whereof 24 are now inhabited, will be 22 millions of kronen, thus the average cost of each one 137.000 kronen. But this enterprise had begun and continued working before the war. Owing to the uncalculable sums spent without chance of recovery in the building trade, those experiments will prove utter failures for a long space of time to come.

After the bankruptcy of the building trade, private initiative was challenged: the architect being unable to build a house, the would-be dweller must put his own hands to the work, without calling for help to others, and build for himself a clay cottage or a log-house. The Vienna Municipality entered in communication

with Private Initiative Societies in order to furnish them with the required building plots either on tenancy or by expropriation. The next future will vouchsafe information respecting the viability of this scheme, particularly if the Municipality will be able to rise the sums necessary to cover the expenses of expropriation and building materials.

Presently, the Habitation-office is engaged only in the registration and assignment of available and exigible lodgings, apartments and Hotel-chambers by virtue of the Provincial by-law of June 30, 1919. The outcome of this activity was: 11.703 lodgings and 4918 single rooms, whereof 7840 lodgings and 2370 single rooms were assigned till the end of 1920. But this stock will be soon exhausted, the subsequent inspections not yielding but very scanty results. The Habitation-office was indeed endeavouring to increase the number of available lodgings by declaring exigible the lodging of foreigners under charge of offence against the laws (concealment of articles of first necessity, back-door trade &c.). But hitherto, these measures proved ineffective, the term of option for the Austrian nationality being fixed at January 15, 1921, and, on the other hand, the expelled individuals not being able to leave Vienna, in default of passports and visa. Hence, the very legitimate hope of the indigenous Viennese population to get rid of these immigrants from Poland, mostly of a very doubtful respectability, has vanished. Moreover, those immigrants, living from the rationed food delivered by Government, are a heavy burden to public expenditure. Without considering these difficulties, the Succession States continue to expulse Austrian subjects, causing them heavy losses, as they are obliged to abandon their moveables. The cantonments at Gmund, built during the war for the fugitives of invaded border-districts, and those at Sigmundsherberg, received in 1920 a large number of those exiles, mostly railway-men expelled from Czecho-Slovakia. Until this day, the cantonments at Gmund are occupied by hundreds of homeless railway employees, now serving in Austria.

Austria has not yet succeeded to get rid of the numerous Polish immigrants, hurried up to Vienna from Galicia during the war, charged with fraudulent enhancement of prices, concealment of food-articles, illegal trade and similar crimes. Poland has hitherto refused to deliver them the passports and Czecho-Slovakia refused to give permission of transit without these documents.

LEGISLATION AND ADMINISTRATION.

Although the National Assembly realised the fact that Austria could not disentangle herself by using her proper means out of her desperate situation, the Assembly did not deter from tempting even the impossible to save the country from a certain collapse and prepare for it a better future. The Assembly voted, amongst many others, a law about home-colonisation and a law encouraging agriculture. The working collieries were developed and abandoned collieries restarted. But the insignificance of the coal-fields in the Austrian Alps made it inevitable to concentrate all efforts and all means available in the working of the so-called white coal, viz. the hydraulic forces, of which German Austria commands an inexhaustible amount of latent energy.

An "Hydraulic and Electric Power office" was created and a law providing the electric traction for the Austrian railways was voted.

In view of a revival of the national industries, a system of exchanging raw materials with manufactured goods made out of those materials was organized. A joint-stock company, "Treuga", was commissioned to procure, under the control of the Government, to the industrial enterprises the financial means necessary to buy the raw materials from abroad and from oversea. The "Treuga" cooperates with a corporation of banking concerns in Holland, the so-called Reconstruction concern, and is called to supplant the bureaucratic apparatus, instituted in time of war with the view of procuring to the Government the necessary raw materials from foreign countries. For safeguarding the legitimate interests of the foreigners a right of ownership is vested in the manufactured goods in favour of the foreign creditor till effective delivery of those goods. The Commission for reparations has desisted from their rights of mortgage upon the raw materials thus procured.

The Committee, instituted within the pale of the Government to investigate and prepare for, the socialisation of industrial labour did very soon ascertain the impossibility of such schemes in the present political and economic situation of Austria. Therefore, the Committee proposed first the creation of certain enterprises based upon joint interests of the State or Municipalities and

managed by private enterprise, but to renounce provisionally any expropriation in industrial matter. The first trial was made with the "Combined boot- and leather factories", managed by the State jointly with the Wholesale Business of the Association of Cooperative Societies of Austria and the Society of Agricultural Commerce. This enterprise has manufactured or mended in six months one pair of footgear for the third part of the whole population of Austria. The exportation of driving-belts had procured in the same time a net benefice of eight millions kronen.

The Office of drugs, organised by the State with the cooperation of the United Hospitals of Vienna has incorporated also a certain number of other private enterprises in view of the ultimate monopolisation of the drug-commerce in Austria to the advantage of the unpecunious classes of the people.

The final effect of all this activity is, in the hope of its promoters, to create socialised model enterprises, yielding a considerable benefit for the Treasury.

To the sphere of purely fiscal reforms belongs the law on the Great Fortune-tax (Capital-levy) and other minor acts.

During the early years of the war, public opinion was unanimous about the necessity of discharging the immense burdens of war by an impost upon the property itself. An official inquiry made by the State-Council immediately after the armistice to elucidate the question of an impost upon the fortune and a tax upon the surplus-value of all taxable objects resulted in the vote of the advisability of both taxes, to be devoted exclusively or chiefly to the repayment of the war-loans. But the debasement of the currency had a quite unexpected effect: the interests for war-debts, once the gravest problem of the Treasury, had fallen into insignificance compared with the daily expenses for food or fuel. To raise the necessary funds for this purposes had become the unique care of the Administration. Therefore, the platform of coalition between the Socialists and the Christian-Social Party declared to devote the returns of the Capital-levy chiefly to the acquisition of foreign values. In the second place, those returns should be employed in the formation of a sinking fund for war-debts, for the balance of the annual deficit and, lastly, for the participation of the State in certain industrial businesses of vital importance.

After six month's arduous labour, the Parliament voted, June 21, the Capital-Levy-Act. In the very last moment, the Reparations-Commission exacted the insertion of this clause: "this law shall take effect only so far as it does not encroach upon the provisions of the Treaty of Peace and of the dispatch of the Commission for reparations, dated May 21, 1920". But the Commission added a solemn declaration that the returns of the Capital-levy should not be confiscated in any way, but abandoned freely and entirely to the purposes determined by the law.

The Capital-levy-act limits at 30.000 kronen the maximal value of any fortune exempted from the levy. This maximal value is raised to 60.000 kronen for a married couple and augmented by 15.000 kronen for each minor child. The fortunes of husband and wife are considered collective. The first 20.000 kronen of imposable fortune are subjected to a charge of 5%, the second ones of 7% a. s. f. The maximal charge is of 65% for fortunes superior of ten millions of kronen.

The levy is payable on principle in three annuities. But if the fortune be composed, for more than two fifths of the total value, of real estates, the levy may be paid, for four fifths of the total sum due, in five to twenty annuities. Joint-stock companies are given the option between discharging the duty in cash or gratis shares; in both cases, the entire levy is due in three annuities. The discharge in public fund papers is not permitted to the joint-stock companies. Many of these companies, unable to procure the means necessary for the discharge of this duty will be obliged to give up gratis shares, enabling thus the State to control immediately certain big financial or industrial concerns. The landed property must assume a mortgage in favour of the Capital-levy; this mortgage must be inscribed in the cadastre if the total levy be not paid until 1922. Probably most of the land-owners, in order to elude from mortgaging their property, will renounce the privilege of annuities. In all cases, the State will be the holder of negotiable mortgages of first rank. All rate-payers who will discharge their duties in the two first months of 1921, shall enjoy particular benefices. The liberal and moderate estimation of the landed property, expressly recommended by the law, will produce a sensible reduction of the rates. The estates

are valued according to the average rent of 1913 to 1919; the implements, machinery and stock in hand according to their prime-cost, notwithstanding the enormous discrepancy between the pre-war and the actual prices. Also the movables and values are not estimated according to their actual prices or current exchange, but according to the average prices and interests put together, without considering the current prices, far superior to their productive value.

This law outvies by far the so called German "National sacrifice" or the similar Czecho-Slovak impost on the fortune. The Austrian capital-levy is expected to produce some eight to twelve milliards whereof $2\frac{1}{2}$ milliards in the fiscal year of 1920/21.

After having voted the Capital-levy-act, the National Assembly was engaged in the discussion of the reforms of the income-tax. The annual income exempt from taxation was raised considerably, owing to the depreciated currency, the rates seriously reduced for the inferior degrees, including the majority of working people and lesser employees and considerable abatements allowed for families with numerous children. Notwithstanding these remissions, the new income-tax will produce in the future great surplus returns owing principally to the accelerated scale in the higher degrees (till 60% for incomes superior to 2,200.000 kronen) and to the increased numbers of tax-payers. Henceforward all employers are obliged to retain the income-tax quota from the weekly wages paid and to pay them immediately to the revenue offices. In this way, hundreds of thousand workmen not having hitherto paid any taxes in default of revenue officers during the war, will contribute to defray the public expenses.

During the second session, the National Assembly voted a number of laws of first importance for the public life. The provisional National Assembly having voted as yet the law about the eight hours labor in all great industrial businesses, the National Assembly voted in december 1919 an amendment, extending the daily eight hours- (or weekly 48 hours-) labour to the whole industry, including clerical work. Arbitration-courts, composed of representatives of employers, workmen and the official inspection, are authorised to grant exceptions for certain branches. In other cases, exceptions may be permitted with approval of the Syndi-

cate, the official labour inspection and the administrative official. Surplus hours are to be overpaid at a rate of 50% at least.

In the same time, the law about the Arbitration Courts and another about collective labour contracts were carried. The Arbitration Courts, presided by an official and composed of delegates of employers and employed, will act as obligatory boards of mediation in the conflicts which may arise through the activity of Syndicates, trusts or workmen-councils. These courts are appointed to settle and register collective labour-contracts and to give opinions on the interpretation of these contracts. They are authorised to make by-laws for the regulation of labour, the law determining only the general conditions for concluding collective contracts. The Arbitration-Courts are invested with the duty of publishing legally those contracts; after this publication, all the contracts between employers and workers within the jurisdiction of the given Court are subjected to the conditions of the published collective contract. Exceptions from this rule are admissible only in so far as favouring the workers or concerning matters not provided for in the collective contract. The Arbitration Court may, on proposal of the Administrative authorities or a Syndicate, declare binding any collective contract or parts thereof.

February 1920, the "Workers and Employees Chamber's"-Act was voted. After the standard of the Chambers of Commerce, those new Chambers are constituted in view of delivering opinions or making proposals concerning the regulation of labour, labour-insurance, labour-bureaux or any other matters interesting the industry, the public economy, transports or the welfare of the private employees in general.

Another law settles the condition of domestic servants. The law warrants to those persons an uninterrupted time of rest between 9 o'clock in the evening till 6 o'clock in the morning, and a leisure time of four consecutive hours in one afternoon of each week. Once out of two Sundays, the servants are allowed to leave the house for eight hours; they are granted a certain annual leave at integral wages and gratis medical treatment. The service-books and the conditions of dismissal are regulated, the jurisdiction of police-courts in domestic servant matters abolished, the ordinary and Arbitration Courts being solely competent in this

matter. More extensive prerogatives are accorded to tutors and governesses.

The act concerning public gambling, dated May 1st 1920, settles a tax on all games in public places; the receipts are allotted to the assistance of war-invalids, widows and orphans of veterans. In June 1920, the law prescribing the obligatory insurance against illness for all public officers, was enacted. The law concerning the insurance against unemployment will be treated in another chapter.

Whilst not succeeding in the general reform of judicial administration, the National Assembly had still accomplished a great number of reforms of secondary importance, e. g. the abolition of courts-martial and the law prescribing the competence of ordinary penal courts in crimes committed by military persons in actual service, the law about conditional punishments, about the creation of courts of jurors, reform of the juries, and, finally, the new act concerning the literary and artistic property, enforced upon Austria by the Peace-treaty.

November 1919, the model-schools-act was voted. In these public colleges, gifted children of all classes of the people, regardless of their pecuniary circumstances, are admitted gratuitously. For this purpose, the *ci-devant* military colleges have been adapted; these educational establishments, provided with magnificent premises, parks and play-grounds afford all means for a perfected education; the schooling is entrusted to well-experienced and carefully selected teachers. The first course consists of a uniform four year's secondary training; the second course is divided, according to the individual aptitudes of the students, in different branches: modern higher school (*Realschule*), agronomic training, arts and crafts school, housekeeping instruction for girls &c. The Undersecretary of State for public instruction made detailed accounts, during the debates, about the activity of the new model-schools, the progress of the improved educational methods, working in order to substitute to the old passive cramming the new active cooperation of the scholar, the reforms of trainings-colleges for teachers, above all the higher training-college of Vienna &c. At the beginning of the scholastic year 1920/21, the primary schools were able to adopt the new carefully prepared pedagogic methods.

Special care was bestowed upon the post-scolar popular instruction. Special training-schools for teachers engaged in this important branch of public education were founded; an ambulant model-theatre, subventioned by the Education-Department will give representations of classical dramas in the country-towns.

The public health-administration in Austria suffered till 1920 from the consequences of the great war. But in any case, the medical and chirurgical treatment of the victims of war, returned from the battlefields and from captivity, could be considered as happily terminated. The number of war-victims, in treatment in the public and private hospitals of German Austria, has lowered in 1920 from 7183 to 2219. A large number of military hospitals have been transmitted to the civil sanitary authorities, amongst them very extensive establishments, like the Viennese Hospital for Orthopaedy and cranial lesions.

Immediately after the war, the Austrian Health-Office had established everywhere dispensaries for the cure of sexual diseases; there, indigent persons of both sexes receive gratuitous treatment and medicaments. In all, fourty eight such dispensaries are in working order in Vienna and in the provinces. Special attention is bestowed on girls and young women suffering from these diseases; special clinical establishments have been created with the help of charitable institutions. For the study of the influence of the Great war on the extension of these diseases, and in view of obtaining sure information about the figures to be dealt with in the struggle against this scourge, a general census of the persons concerned has been undertaken between November 15 and December 14, 1920; the returns will be studied exhaustively and published in due time.

The struggle against tuberculosis is beset, after the conclusion of peace, even with much more difficulties than during the war. Medically speaking, most Austrian people cannot afford to incorporate, in the shape of articles of food, the quantity of caloric units necessary to maintain the equilibrium of physical functions, much less to accumulate the required reserve fund of forces to resist infections. Under these conditions, the number of victims of tuberculosis has augmented considerably. Similarly, the progress of any given case has been more rapid than in the time of sufficient food-supply. By the shortness of financial means, the

Public Health-administration is seriously handicapped in the struggle against the tuberculosis; the multiplication of preventive measures cannot keep pace with the ever increasing speed of the propagation of phthisis. The only really effective measure seems to be even now an energetic prophylaxis.

As soon as 1916, the Public Health Office had begun the organisation of preventive establishments for phthisic persons. These establishments are taking firstly the census of phthisic persons in their sphere of action; afterwards, they send to the hospitals those ones most dangerously ill, and make attend at home or in a sanatorium those ones considered curable. Specially instructed nurses are visiting regularly the dwellings in order to detect and disinfect centres of contagion. Till now, German Austria is provided with fourty-four anti-tuberculosis establishments, thirteen of them in Vienna.

Also the treatment of tuberculosis has been the object of assiduous labours. The model tuberculosis hospitals for indigent patients at Alland, Enzenbach, Grafenhof and Hoergas have been substantially enlarged by extensive barrack-systems, and other similar hospitals have been founded. In the last year, popular tuberculosis sanatoriums have been opened at Gaisbuhel (Vorarlberg), Stolzalpe (Styria) and Grimmenstein (Lower Austria). The two last-named are specially devoted to the treatment of phthisic children, suffering from tuberculous osteomalaxy and adenalgy. In all, in twenty-nine sanatoriums, 1190 beds for men, 950 beds for women and 880 beds for children are available for the anti-tuberculosis service. But the sanatoriums too are suffering enormously from the lack of food-stuff, above all milk, and the general dearth. The coast of maintenance and keep has risen to figures wholly out of reach of the average patient. Only the veterans are legally granted absolutely gratuitous treatment.

Since the end of the war, German-Austria has been exempted from highly virulent epidemics. Some insulated cases of variola have been imported from abroad. Some months ago, the last cases of exanthemic fever had been reported. In the beginning of 1920, several cases of this illness were ascertained, all on individuals returned from Russia. In spite of the great number of veterans suffering from malarial fever, no endemic centre of this illness had developped. After all, German Austria can boast

of having struggled with the best effect, among all the succession-states of the ancient Austrian Empire, the epidemic diseases ravaging till to-day Eastern Europe. —

THE ARMY.

In the days of the overthrow of the Habsburg Monarchy, the German-Austrian Government had created in the National Militia a provincial armed force, destined to protect the Republic, to maintain the order and security in the interior and to guard the extremely precious properties of the ancient army and the public administration. The Militia was recruited partly from the servants of the ancient Imperial Army, partly from the employees and labourers of the military supply-departments and war-factories. Only volunteers were admitted. At the end of 1918, the Militia had attained a temporary strength of 1700 officers and 56.000 men. In order to supply the necessary factory-hands to the stagnant economic life and to alleviate the public expenditure, a maximum strength of 27.000 men (15.000 of them for Vienna and Lower-Austria) was settled. The reduction was to be obtained firstly by gradual disbandment of the smallest corps, secondly by the creation of efficient labour-bureaux in the cantonments and thirdly by dismissal of less desirable troopers, crept in the rank and file during this troubled period. Till september 30 1919, the total strength of the militia had decreased to 1600 officers, 1400 non-commissioned officers and 26.000 men.

The present establishment of the Austrian Army has been stipulated by the treaty of peace of St. Germain. Although a democratic militia should have answered better to the exigencies of a democratic Republic and to the wishes of the people, a professional army of 30.000 men was imposed upon the country in the instrument of peace. The number of commissioned officers is fixed at a twentieth, that of non-commissioned officers at a fifteenth of the total number of men present under arms. The Army is to be employed exclusively to the defence of the frontiers and to the maintenance of order in the interior. Conformable to these prescriptions, the National Assembly voted March 15, 1920 a new law relating to military service. The essential regulations of this law, supplemented by articles 79—81 of the constitution, are: The main functions of

the Army are the protection of the constitutional institutions, the maintenance of order and security in the country, assistance in general calamities and disasters, and the defence of the frontiers. The supreme authority over the Army vests in the National Assembly; the immediate control over the Army is exercised — subject to certain specified restrictions — by the Government through the competent minister. The commanding power and the professional training is entrusted to the military chiefs.

The administrative and financial business of the Army is dealt with in the provinces by a Military Department in the chief place of each province, in charge of a senior officer, subordinated to the Minister. Each province forms a recruiting district, to which a maximum number of recruits is allotted: Vienna 9000, Lower Austria 6500, Burgenland (German Western Hungary) 1500, Upper Austria 4000, Styria 4000, Carinthia 1700, Salzburg 1000, Tyrol 1700, and Vorarlberg 600. Only Austrian citizens of male sex, having professed their attachment to the democratic republic, are entitled to the service in the Army. The term of service is twenty years for commissioned officers, twelve years (with a minimum term of six years in the actual service with the colours) for non-commissioned officers and militia-men. Simultaneously with the military professional training, a civic education and instruction in different civil professions are given. These provisions for the future civil life of the soldier, combined with the full exercise of the political rights, are intended to prevent the forming of that caste-feeling, otherwise unavoidable in an army of mercenaries. On the other hand, due attention is given to prevent all political party-strife and party-propagandism in the Army. In official duty, political activity is strictly forbidden. In the barracks, political meetings are not permitted.

To advocate their personal interests, officers and men are entitled to elect delegates, authorised to cooperate in certain administrative and disciplinary matters, as: recruitment, food-supply, barrack affairs, civic education and civil instruction, complaints and redress of them, furloughs, disciplinary proceedings, dismissals. The delegates assist at the distributions of pay, victuals and clothing. The term of their mandate is one year. Provisions are made to suppress all undue influence, prejudicial to the commanding power, tempted by the delegates.

The transition from the republican Militia to the new federal Army was performed by granting to all militia officers and men the free option either to enter the new army or to retire from military service; in this latter case they were warranted a dismissal fee graduated after the duration of their effective service in the militia, running from a maximum of 1500 austr. crowns downward for privates. At the same time, new enlistments were made, affording, up to this day, about 13.000 men. The commissioned and non-commissioned officers were drawn almost exclusively from the standing portion of the old Imperial Army, and chosen by a specially appointed council. The bodies of troops in the different provinces are as follows: six regiments of infantry, forming three brigades, in Lower Austria and Vienna, two regiments of Alpine-Rifles, forming one brigade, in Upper-Austria; the same in Styria; one regiment of Alpine-Rifles in Carinthia, another in Tyrol, one independent bataillon of Alpine-Rifles in Salzburg, another in Vorarlberg; the military forces of Carinthia, Tyrol, Salzburg and Vorarlberg are combined in another (sixth) brigade. To every brigade is attached: a bataillon of cyclists, a section of artillery (four batteries), a squadron of cavalry and a bataillon of sappers and miners. The staff of every brigade disposes also of a signalling company, a section of motor-cars, a section of baggage train and an ordnance section. Independently of these six brigades are: a regiment of heavy artillery, forming eight batteries and a squadron of three patrol-boats on the Danube.

The newly established army had already opportunity to prove their professional fitness as well as their spirit of sacrifice during the recent inundations in the Alps (summer 1920). —

THE CONSTITUTION.

The most important task of the constitutive National Assembly was of course the making of a Constitution. But this task met with considerable difficulties, owing to the wide divergencies in the general opinions of the two great political parties constituting this Assembly. The Christian Social party, considering the old historical provinces as the primary base of the political life, wished to constitute those provinces as strongly and as solidly as possible, whereas the Socialists were penetrated with the idea of a uniform, centralised Commonwealth, composed of little self-governing bodies.

According to the principles exposed by Dr. Renner, chief of the socialistic party, the unities of self-government ought to be the rural or urban communities. Wherever the rural agglomerations would prove too small to perform successful administrative work, several rural bodies ought to be united in a district municipality.

The Christian-Social point of view predominated eventually, inasmuch as the preliminary arrangements of October 1919 established that German-Austria was to form a Federal State. The further controversies went about the delimitations of power between the Confederation, the Provinces and the Local Bodies. The Chancery of the State had composed not less than six different schemes for a constitution. But no agreement was obtainable within the pale of the coalition. The future constitution was first publicly discussed in a conference held by the representatives of the provinces in Salzburg about the middle of February 1920. There, the rough draft of a constitution, framed as a purely private work, by Dr. Mayer, Secretary of State, was under discussion. A second conference, held at Linz in the latter half of April, deliberated on a new scheme, drafted by Dr. Mayer too, with due regard of the results of the first conference at Salzburg. The Socialists as well as the Pangermanists submitted schemes of their own, but the exhaustive debates elicited once more the wide differences of opinion on the most essential points.

After the break-up of the coalition between the Christian-Social and the Socialistic Parties, the National Assembly was to be dissolved. It was doubtful whether the Assembly should disperse without having voted a Constitution. The Christian-Social Party insisted upon the urgency of such a vote before the new elections and succeeded in convincing the opponent parties. But their intentions could not be carried out thoroughly; neither the absence of good-will nor of application prevented the accomplishment of the task; but the parties did not come to an understanding about certain first principles, e. g. the relations between the Church and the State, the Church and the School; they found no bridge across the abyss, separating the general views of the life in the Christian and socialistic dogmas. The space of time being too short, the final settlement of those principles was reserved for the future Assembly. Lest this settlement might suffer

undue delay, the Assembly resolved that certain indispensable provisions of the future constitutional law ought to be suspended until the vote of the above-mentioned contested parts of the Constitution.

The Article First of the Federal Constitution declares : Austria is a democratic republic. All the rights emanate from the people. The law proclaims Austria a Confederation, consisting of independent Federal States, viz: Burgenland (German Western Hungary), Carinthia, Lower Austria (with Vienna), Upper Austria, Salzburg, Styria, Tyrol and Vorarlberg. The Confederation forms an indivisible monetary, economic and customs unity. The citizenship is vested in the Confederate States, but every citizen of a given State is at the same time federal citizen, enjoying the same rights and being liable to the same duties in all the Confederate States. Privileges and prerogatives of birth, sex, station, rank, caste or confession are abolished. The public officers of all classes, the servants in the Federal Army included, enjoy unimpaired all civic rights.

The constitution distinguishes between federal and provincial affairs. Some concerns are declared federal, in respect both of the legislative and the executive power, e. g. the federal constitution, foreign affairs, federal finances, money and public credit, civil and penal code and procedure, judicial administration, press-law, right of assembly, trade and industry, public communications, mining, public waters appertaining to or running through several provinces, labour questions, protection of workmen and private employees (with exception of those engaged in agricultural and forestry work), social and contract-insurance, sanitation, food-supply, religion, federal police and gendarmes, federal army, organisation and rules of order of the federal offices. — The legislation of the Confederation is also extended to certain other matters, the executive of which is abandoned to the provinces; to this chapter belong: citizenship and rights of domicile, personal papers, aliens, working-men tenements, rules of administrative business and procedure. In a third set of matters only the principles and the framing of general rules are dealt with in the federal legislation, the particulars, the making of by-laws and the executive thereof being left to the provinces, as in the internal administrative organisation, poor-law administration, vital statistics,

medical administration, maternity, provisions for the care of infants and children, protection of the agricultural and forest labourers, landed property legislation, forestry, public works &c.

A matter not being explicitly reserved to the legislative or executive power of the Confederation, belongs to the sphere of provincial self-government.

The executive power in the Confederation as in the Provinces is vested in the mandataries of the people, appointed by the legislative bodies. These mandataries are: the President of the Confederation and the members of the government, all elected by the National Assembly, viz: the Chancellor of the Confederation, the Vice-Chancellor and the Secretaries of State. In the provinces, the Chief of the Executive Power is the Captain-General. The management of the executive business by the mandataries of the people is under the control of the deputies having elected them; for all offences of commission or omission, the mandataries of the people are responsible before the Administrative High-Court. All the officers, employed in federal, provincial or municipal administrative or judicial service, are liable for damages caused by intentional or negligent breach of duties.

The federal government or the single competent minister shall be dismissed after a vote of censure by the National Assembly against the whole government or against that minister.

The legislative power of the Confederation is exercised by the National Assembly conjointly with the Federal Assembly. The former is elected by the people on the principles of the universal, direct, secret and personal suffrage of both men and women, aged twenty years on the first of January of the year of election. The deputies are elected on the principle of proportional representation for a legislative period of four years. The members of the Federal Assembly are elected by the Diets, also on proportional principles. The political party, second in strength in the diet, is entitled to one mandate at least in the Federal Assembly. The provinces are represented proportionally to the number of their population; no province can claim to more than twelve, or can fall short of three members.

For the election of the President of the Confederation or for the declaration of war, the National and Federal Assemblies gather in public meeting. Are eligible President of the Confede-

ration any persons entitled to vote at the legislative elections and aged thirty-five years. Members of families reigning or having reigned are ineligible. The office of the President of the Confederation is for a period of four years; a reelection for a second subsequent term of four years is admitted only once. The President represents the Republic abroad and signs the treaties with foreign powers. He authenticates by his signature the constitutional validity of any legislative act. He exercises the right of granting pardons. All presidential acts are issued in consequence of a proposition of the federal Government and are countersigned by the Chancellor or a Minister.

Bills are carried through the National Assembly either by one of its members or as governmental bills. The Federal Assembly is authorised to propose bills in the National Assembly through the medium of the Government. A popular will expressed by 200000 electors or by the half of the total number of electors of three provinces must be submitted to Parliament by the Federal Government. Bills brought before the National Assembly must pass through a plebiscite before being enacted, if such a wish is voted by that body. In like manner, any essential alteration of the federal constitution is subjected to a plebiscite; the same proceedings are prescribed also for any partial or accessory alteration of the Constitution, if so wished by the majority of the National Assembly.

The Federal Assembly is concerned in legislative matters in so far as every resolution of the National Assembly must be communicated to the other Assembly before being authenticated and issued. The Federal Assembly is authorised to refuse assent within two months. The refusal becomes inoperative, if the National Assembly reiterates the vote in presence of the moiety of the members at least. In most of the financial matters, as: the annual budget, balance of accounts, contracts or conversions of public loans, disposal of federal property, the Federal Assembly is not intitled to opposition.

The legislative power of the provinces is vested in the diets, elected after the same manner as the National Assembly. Against provincial legislation, prejudicial to federal interests, the National Assembly can object within two months. The provincial bill passes law, if the Diet reiterates the vote in presence of the moiety of

the members, the Federal Government being authorised to appeal against a provincial law, judged unconstitutional, to the Supreme Court. This tribunal is competent judge also in appeals of the provinces against federal legislation.

The provincial executive power is exercised by the Provincial Government. Federal matters are dealt with in the provinces partly by special federal authorities (immediate federal administration), partly by provincial authorities (delegated or derived administration).

The local administration is based upon the principle of self-government. For general administrative purposes, the provinces are divided in district communities, the districts in rural and urban communities. Urban agglomerations of more than 20.000 inhabitants are constituted, at request, as districts. All those communities are just as many independent economic bodies, empowered to acquire, possess and alienate property of all kind, to manage economical enterprises and to levy duties, rates and excises. The representative local bodies are elected after the manner in operation at the national elections. The headman of a district community must be a lawyer. The old administrative apparatus of the districts continues to work until the new schemes will be in full working order, but at the chief place of every old district, an elected controlling body is placed by the side of the chief administrative officer.

The regulations concerning the delimitations of power between the Confederation and the provinces will remain inoperative till the enactment of the following legislative drafts: law for the financial arrangement between the Confederation and the Provinces, Districts and Communities, law for the sphere of federal action in scolar and educational matters, and finally, law for the establishment of the general administrative service in the provinces.

THE PRISONERS OF WAR.

The Austrian authorities considered as one of their most urgent duties the delivery of the prisoners of war. These most pitiable victims of the great struggle, some hundreds of thousand in number, were languishing in captivity mostly since the first months of the war. The Austrian Government spared no trouble or expenses and recoiled from no accomodations in the negotiations with the ci-devant enemies, in view of the prompt saving of

the prisoners from a certain death. Effectively, the "Commission for the rescue of prisoners of war and civil prisoners", nominated by the Austrian Government, succeeded in obtaining, even before the conclusion of the peace, the repatriation of the Austrian prisoners of war from Italy. At the end of 1919, about 80.000 Austrians were thus repatriated. The home-journey of the prisoners of war from England had begun in October 1919, from France January 1920. In the spring of 1920, thanks to the indefatigable exertions of the Secretary of the Danish Red-Cross, Mr. Wahl-Bau, the prisoners of war in Serbian captivity were released. Shortly afterwards, the prisoners retained in the Near-East after the collapse, later on those in Japan and most of the civil persons confined in China were sent home. More than 150.000 prisoners had been rendered to liberty by these exertions. There remained only in Russia, Siberia and Turkistan a considerable number of prisoners of war. At the beginning of the functions of the Prisoners-Commission, Russia was surrounded on all sides by enemies in arms. The scheme of establishing safe lines of communication, utilisable for the homeward journey of the Austrian prisoners, proved impracticable. In vain, the Austrian Government dispatched, by radiotelegraphy, urgent requests to the Soviets at Moscow to let pass to Russia an Austrian delegation for the rescue of the Austrian prisoners of war; similar requests presented in Paris had no better success. The Prisoners-Commission tried now illegal expedients to carry out their task. Mr. Wagner, member of the Commission and influential partisan of the communistic party of Vienna, succeeded in reaching Moscow and to persuade Mr. Tchitcherin, commissary of the people for foreign affairs. By this way, Mr. Mayerhoefer, legal chief of the Prisoners-Commission, obtained leave to enter Russia, but only to treat the admission of an Austrian Committee for the rescue of the prisoners of war. It was not before February 1920 that Mr. Mayerhoefer reached Moscow; during a very long space of time, no news were heard in Austria from that official, although he had used freely the Russian radiotelegraphy.

March 1920, the International League of the Red Cross assembled in Geneva. The president of the Austrian Prisoners-Commission was admitted there and succeeded to move an urgent proposal about the question of the release of the prisoners of war.

The motion was carried and the Assembly voted the resolution that "the rescue of the prisoners of war be declared the first duty of mankind, incumbent now to the League of Nations", and all the Societies of the Red Cross, represented at the Assembly, numbering twenty-seven, pledged themselves to use their authority on their Governments to promote these views.

After this Assembly, the Conference of the Ambassadors in Paris notified to the Austrian Government that no obstacles would be put in the way of the rescue of the Austrian prisoners of war, in the assumption that the necessary expenditure would be defrayed exclusively by Austria. The League of Nations commissioned Mr. Fridthiof Nansen with the mandate of preparing a general scheme for the delivery of the prisoners of war.

In the mean-time, deliberations had begun in Berlin between Germany and Russia about the exchange of the prisoners of war. The Vice-President of the Austrian Commission went to Berlin to treat with Mr. Kopp, delegate of the Russian Soviets. March 15, the Chancellor of the State, Dr. Renner, informed the representatives of the Entente in Vienna about these negotiations, interrupted only temporarily by the riot of Mr. Kapp in Berlin, resumed in May and terminated by the Convention of Copenhagen, the context of which hereafter:

CONVENTION CONCERNING THE EXCHANGE OF THE PRISONERS OF WAR,

ratified by the Soviet Government July 9 and by the Austrian Government July 14, 1920.

The Government of the Socialist Soviet-Republic of Russia and Ukraine, represented by Mr. Maxime Litwinow, delegate of the Council of Commissaries of the people on the one hand, and the Government of the Austrian Republic, represented by Mr. Paul Richter, deputy and Vice-President of the Commission for the rescue of prisoners of war on the other hand, endeavouring to promote by all possible means the exchange of the said prisoners, have concluded to-day the following Convention:

§ 1. The contracting parties pledge themselves to send home, by using all means of communication at their com-

mand, all the prisoners of war and interned civil persons, without distinction of grade, station or rank (soldiers, non-commissioned, warrant and commissioned officers, medical officers and sanitary employees, military and civil officials &c.). This mutual obligation shall be considered as accomplished in the moment of transmitting the said prisoners to the representatives of their respective authorities at the actual frontier-station of Narva (Esthonia). The two Governments reserve themselves the right of proposing, if necessary, other places of exchange. The two contracting parties agree in maintaining the principle that no prisoner of war or interned civil person can be exchanged by force after having declared that he will continue his sojourn in the country where he has been since detained.

§ 2 For safeguarding the interests of the civil and military prisoners, a representative is admitted at the seat of Government of both contracting parties. In order to accomplish thoroughly his duties, this representative shall enjoy all the prerogatives of extraterritoriality, including the right of using freely the radiotelegraphic communications with his Government. For administrative and technical matters, the representatives shall be allowed to attach to themselves five assistants to the utmost, medical officers included. Both Governments grant to those persons free admission in their territories.

§ 3. The Austrian Government shall be obliged to keep a strict neutrality in the wars Russia might be engaged in. Austria shall prohibit absolutely in her territories all supply or transport of arms, ammunitions and requisites of war destined for the enemies of Russia.

§ 4. The Austrian Government grants personal liberty to the commissaries of the Hungarian people, ex-members of the revolutionary Government of Hungary and shall facilitate their departure for Russia by all available means.

§ 5. The representatives mentioned in § 2 are authorised in a formal manner to enter in negotiations about the resumption of commercial intercourse between the two countries.

§ 6. The Convention takes effect on the day of the signature.

Copenhagen, July 5, 1920.

For the Government of Russia
and Ukraine:

For the Austrian Government:
Paul Richter.

Maxime Litwinow.

July 17, the Secretary of State for foreign affairs received a radiotelegraphic message from Moscow in which Mr. Tchitcherin declared that the repatriation of the Austrian prisoners of war from Russia should be henceforward quite unhindered. In the same dispatch, Mr. Tchitcherin begged the Austrian Government to accelerate the home bound-journey of the Russian prisoners.

The Commission for Reparations demurred to the dispositions of this treaty concerning the use of radiotelegraphic communications, granted to the two representatives of the prisoners of war, and interrupted the service of credits devoted to the exchange of prisoners. The Austrian Government having cancelled the questioned dispositions as contrary to the treaty of peace, the service of credits was reassumed September 3. Later on, September 11, the Commission for Reparations agreed the proposals of the Austrian Section about the above-named credits in accordance with the stipulations of Copenhagen. September 11, Mr. Otto Pohl, head of the Austrian mission to Russia, leaved for Moscow.

The convention with Russia was no labour in vain; ere long, the number of repatriated Austrians had augmented considerably. Whilst during the interval between January to June, only 2565 prisoners had returned, the number of prisoners sent back from Russia rose to 13.400 till the end of the year. In European Russia there are now, generally speaking, no Austrian prisoners at all. It is to be hoped that within the first half of 1921, the Austrian prisoners retained in Siberia and Turkistan, calculated at less than 10.000, will be all saved.

FOREIGN POLITICS.

PROMISES OF HELP.

After having created the Austrian Republic, determined its present frontier lines and prohibited its union with Germany, the Entente Powers did not ignore the fact that they had assumed the moral responsibility of maintaining the vital interests of this

mis-shapen creature and of securing the peace and tranquillity of Central-Europe, seriously endangered by any political upheaval in this State, situated in the very heart of Europe.

As a matter of fact, the VIIIth chapter of the peace instrument, dealing with the obligations incumbent on Austria on behalf of the reparations and with the task of the Commission for Reparations, speaks, in article 182, of the amount of victuals and raw materials judged indispensable by the Allied Powers to enable Austria to fulfill her duties of reparations.

In the annex to the peace-instrument, dated September 2, 1919, formal promises are made: "The allied and associated Governments are nevertheless not animated by the wish to aggravate the painful situation of Austria, on the contrary, they wish heartily to see employed all means proper to help Austria in her efforts to restore her ancient prosperity".

"Adequate measures will be taken in order to offer Austria the necessary quantity of coal from Czecho-Slovakia and Poland under the restriction of a warranted delivery of certain manufactured goods from Austria to the above-named States".

"The Commission for Reparations is instructed to discharge their duty in an essentially humanitarian sense. They will take in consideration the needs of the whole Austrian people and will grant all facilities necessitated by the precarious alimentation of Austria".

THE SUB-COMMITTEE OF THE REPARATIONS-COMMISSION.

Immediately after the signature of the peace instrument, the food-supply of Austria was in a most critical state. Numerous requests of the Chancellor of State, directed to the Supreme Council in Paris, resulted eventually in the nomination of a Sub-Committee of the Reparation-Commission, residing in Vienna and constituted August 7, 1919. The Committee was charged with the inquiries into the causes and effects of the alimentary crisis of Austria and to submit proposals to the Commission. Starting from the conviction that the lack of coal, the prime cause of all the miseries of Central-Europe, was the effect of the defective state of the rolling railway-material, the Committee insisted on

the prompt convocation of the Experts-Commission, anticipated by article 318 of the treaty of peace. Both Coal-and Experts-Commission gathered in October 1919.

Without delay, the Sub-Committee for Austria held conferences with the representatives of Vienna and the provinces and addressed urgent requests to the Czecho-Slovak and Yougo-Slav Governments to fulfill the compacts made with Austria concerning the delivery of coal and victuals. The Sub-Committee were also busy in arranging conferences between the delegates of these three countries. Representatives of the Austrian industry and banking syndicates were heard in order to elucidate the opinions about the needs of Austria. November 7, the Sub-Committee informed the Chancellor of State, that the allied Governments had been acquainted with the stringent urgency of efficient help in coal and provisions.

The Experts-Commission too assembled immediately after their arrival in Vienna. The Austrian delegates declared that the passengers' traffic had declined to 17% of the pre-war figures and that the merchandise-traffic was reduced to coal, coke, benzine, industrial alcohol, carbide of calcium and explosives for mining purposes exclusively. The suppression of express-trains was imminent.

In the meanwhile, the alimentary situation had become a catastrophe; the flour and bread rations had been reduced energetically and the total lack of coal had necessitated a complete standstill in the railway-traffic in the last weeks of 1919.

THE CHANCELLOR OF STATE'S VOYAGE TO PARIS.

At the second anniversary of its existence, the Austrian Republic was threatened with a real famine, aggravated by a complete lack of fuel. The Entente-supplies in provisions, having assured a scanty alimentation until the new harvest, had been interrupted. The national harvest was sufficient hardly for three months, under the presupposition that the entire amount, calculated at 180.000 tons, would be delivered to consumption; but in December, only one third of this quantity had been delivered effectually. In spite of the end of the authorities, the alimentary situation was, at the end of 1919, far worse than at the most critical moments of the downbreak of the old Empire. Repeatedly, the Vienna

Municipality had only two or three days provision at their command and was obliged to reduce the war- and famine-rations of flour to another half. The final bankruptcy of the entire official alimentary service seemed imminent.

Germany had declared ready to assist her starving brothers in Austria, in spite of her own pressing needs. By effecting a general reduction of 50 grammes in each daily ration of flour, Germany had spared 8000 tons of flour which were sent to Austria in December. But in the long run, it proved impossible to feed the whole population of a State by the crumbs from the table of a neighbour. In order to secure at least a trifling supply of victuals till October 1920, Austria would have been obliged to spend hundred millions of dollars. Nobody could be astonished by the fact that the Austrian people, the most patient and submissive one of all, having gone unshaken through six years of dearth, famine, cold and all horrors of war, was eventually exhausted and had lost their nerves. Several times, riots broke out spontaneously in the larger towns, occasioned by sheer want of food-stuffs and fuel. Coal having entirely disappeared, and wood, albeit not far from town, not having been transported to market by railway for want of coal, the townspeople went in scores and hundreds of scores to the forests in order to fetch a miserably earned handful of wood. In this manner, the celebrated forest of Wienerwald was devastated to a most deplorable extent. Not only the granaries, but also the public treasury were exhausted. The budgetary deficit had risen to 8 milliards of kronen. The fiduciary currency had fallen to a thirtieth of its original value. The Government had in view to decline publicly any responsibility, if not supported by the Supreme Council. In order to arouse the feelings of Western-Europe, the Austrian Government communicated, through the medium of their representative in Paris, the wish to send the Chancellor of State to Paris, that he might be allowed to make, verbally and immediately, a true picture of the intolerable conditions under which the Austrian people was obliged to suffer. December 9, 1919, the Chancellor of State, accompanied by the State-Secretaries of Finance, provisions, communications and commerce, went to Paris. Dr. Renner, in moving words, made a vivid picture of the despairing state of Austrian affairs before the Supreme Council and

the Reparations-Commission, and urged the realisation of the promises of help, given to his unlucky country in the treaty of peace. The immediate help, in the view of Dr. Renner, should be given in the shape of: 1st the lease of all provisions, shipped for or arrived in Europe, attainable in any harbour of Europe, to enable the Austrian Government to distribute the minimisations of flour during the next two months; these provisions should be given to Austria in the form of advances, 2^d loans in money to warrant the regular food-supply for Austria for a twelvemonth, 3th credits in raw materials to restart the broken-down Austrian industry; 4th removal of the mortgage-rights instituted in favour of the Allied States, in order to enable Austria to procure the necessary foreign values.

The Supreme Council resolved upon these requests: 1st : The 30.000 tons of grain, stored in the docks of Trieste, shall be forwarded immediately to Austria; 2^d the allied Powers will accord to Yougo-Slavia an advance in order to supply provisions to Austria; 3th a decision will be taken in the shortest possible time about the withdrawal of mortgage-rights instituted by the treaty of peace upon Austrian public and private property in favour of the reparations; 4th the Supreme Council agrees to the proposed alienation of the Tobacco-monopoly, and 5th the reparations-commission shall examine, without delay, the detailed proposals of the State-Secretary of approvisions about the scheme of a definite programme for the food-supply in the next ten months-period.

The most ardent hope of the Austrian people, viz. the granting of a great loan, had not yet been realised, the Supreme Council having been convinced that a final settlement of this question was not possible without the collaboration of America.

Therefore, the Chancellor of State had come back from Paris with the prospect of a momentary alleviation, but not with the expected effectual and lasting remedy. The Austrian Government postponed a new demarche at a later date.

THE SECRETARIES OF STATE OF FINANCE AND APPROVISIONS IN PARIS.

February 3, the State-Secretaries of finance and approvisions went to Paris in order to obtain a fresh help from the Entente.

The State-Secretary of finance explained before the Conference of Ambassadors that the time of makeshifts was past; the unique remedy was, in his views, a lasting support of the Austrian people, enabling them to maintain themselves, in the long run, by their proper exertions. Therefore, he insisted upon the necessity of a loan for long periods for the reestablishment of Austria's economic life. For securing the interests- and sinking fund-payments of this loan, he offered the assignment of the mortgage-rights on Austrian property instituted by the treaty of peace. An Austrian Section of the Reparations Commission ought to be instituted even before the ratification of the peace, in order to control the management and employment of this loan. This Section were to be commissioned to establish, with the cooperation of the Austrian Government, an exhaustive programme for the recovery of Austria, enabling this State to perform by its proper means the duties imposed by the treaty of St. Germain.

In the meeting of the Organisation Committee of the Commission for Reparations, held February 14, the representative of the United States communicated a motion put in the Senate of Washington for the purpose of a loan of 50 millions of dollars to the most destitute European States, first and foremost to Austria. The representative of Great-Britain declared in the name of his Government, that England would join this step with a loan of 25 millions of dollars. In fact, the Senate of Washington had authorised, on the proposal of Mr. Hoover, the United States Grain Corporation to offer to Austria an advance sufficient to buy 200.000 tons of grain. The British Government declared its willingness to place at Austria's disposal the required tonnage for shipping this grain to Trieste and to defray the transport costs.

THE AUSTRIAN SECTION OF THE REPARATIONS-COMMISSION.

March 10, the Reparations-Commission resolved the formation of an Austrian Section without awaiting the ratification of the peace.

In a dispatch, dated April 17, the Commission approved the willingness of Austria to accomplish the conditions of the treaty of St. Germain concerning the reparations and the liquidation of the Bank of Austria-Hungary before the ratification of the instrument of peace.

A sensible alleviation of the burden of these above-named conditions had been granted Austria by a dispatch from the Organisation-Committee, dated March 13, to the effect that: "Considering the urgent want of victuals and raw materials Austria is suffering and in view of encouraging the private initiative to restore the ancient prosperity, the Organisation-Committee has resolved to disengage the private property in Austria from the mortgage-bond imposed by the treaty of peace in favour of the Allied and Associated Powers, and to relinquish the Austrian private property in neutral countries, consisting either in neutral values or others in order to employ them for the purchase of provisions or raw-materials for Austria".

May 21, the Austrian Section sent the following note to the Austrian Government:

I.

On the strength of full powers from the Reparations Commission, Austria will be intitled, in virtue of instructions of the said Commission and under the control and with the consent of the Austrian Section to issue treasury-bills, as a guarantee whereof shall be instituted, conformable to article 197, in the first place the entire property and the intire public income of Austria. This guarantee shall precede all reparations imposed by the Treaty of St. Germain and all other obligations imposed by treaties, conventions or other agreements made between Austria and the allied and associated Powers at the armistice of November 3, 1918, without prejudice to similar dispositions of other conventions or protocols in operation.

a) A portion of these treasury-bills shall be forwarded by the Austrian Government to the allied, associated or neutral Powers having yet granted credits for food-supplies since november 3, 1918. The nominal amount of these bills shall be equal to the credits and loans allowed; these bills shall be forwarded under the condition of remitting to Austria all papers containing obligations or liabilities of Austria and all Austrian assets or guarantees.

b) a second portion of the treasury-bills shall be remitted to the allied, associated and neutral Governments for future credits and advances, according to the amount of these credits effectively made.

c) the Austrian Government will be entitled to emit, from time to time, another portion of these treasury-bills of an amount corresponding to new advances or credits allowed by the Reparation Commission. The privilege, guaranteed to the present loans, will be extended to the future ones after due deliberation by the said Commission.

d) the treasury-bills shall be united in one single series; the amount shall be redeemable in the currency of the creditor's country, unless stipulated in other currency for the preceding credits. The bills shall bear six percents of interests.

e) the Austrian assets, delivered in virtue of alinea a) shall remain under the control of the Austrian Section.

If desired by the Commission of Reparations, monopolies, works of art, the property of the former Imperial Family at the command of the Austrian Government and available Austrian capital shall be under control and administration of the Austrian Section, according to their availability, in order to secure for Austria the delivery of the necessary amount of food-stuffs, fuel and raw materials in virtue of article 181 of the Treaty of St. Germain, and to determine the obligations incumbent to Austria in this respect.

II.

The Austrian Government shall assume the following liabilities towards the Austrian Section:

a) not to sell, transmit or alienate otherwise public property of the State, provinces or municipalities, or public concessions, privileges or monopolies but with the consent of the said Austrian Section and to invalidate such alienations made since the armistice of November 3, 1918, if required by the Austrian Section.

b) to move in Parliament bills proposed by the Austrian Section, concerning the sale or other alienations in foreign countries of Austrian private property or all other property not mentioned in the previous alinea. The same shall be the case with concessions granted or monopolies sold in foreign countries. The Austrian Section will make such proposals only if suchlike alienations are proper to be detrimental to the reparations incumbent on Austria. Bills carried through Parliament ought to be altered or abolished if necessary.

c) to abstain in the future from conventions concerning the delivery or exportation of public papers, documents, objects or materials mentioned in Section 2, part VIII of the treaty of peace, without the consent of the Austrian Section.

III.

The said Austrian Section shall assume or control, in virtue of the instructions received from the Commission of Reparation and in the measure of advisability, the collection of imposts, taxes, duties and other revenues of the Austrian Government as well as the expenditure of these revenues, if necessary; the Section shall admonish the Austrian Government in order to enforce the most stringent economy in public expenditure.

IV.

The Austrian Section shall henceforward make the necessary inquiries into the economic and financial situation of Austria and establish a general scheme for her reconstruction, in order to secure the reparations incumbent on Austria.

The Austrian Government answered by the following dispatch, dated June 12, 1920:

"The Austrian Government recieved the dispatch, the Austrian Section of the Commission for Reparations had addressed to the Austrian Plenipotentiary in Paris, Mr. Eichhoff. The Austrian Government acknowledges with gratitude, that the said Section will assume the task of establishing and executing a general scheme for the economic reconstruction of Austria. The Government will be pleased to contribute, conjointly with the people, to the accomplishment of this task.

"The Austrian Government shall make use of the offer to emit treasury bills under the conditions enumerated in the dispatch and will remit them to the Governments disposed to grant credits to Austria, after due deliberation with the Austrian Section.

"The Austrian Government is unable to make objections against the obligations enforced upon Austria and against the control and powers conferred to authorities instituted by the Treaty of Peace. The Government is convinced that the Commission, in the exercise of those rights, will respect our political sovereignty and will not make use of these rights but in the measure of stringent necessity. The Austrian Government shall make all exertions to satisfy the Commission.

"About some points the bearing of which the Austrian Government did not fully grasp by the wording of the dispatch, oral deliberations shall be held after the arrival of the Austrian Section in Vienna."

July 13, the members of the Austrian Section presented themselves to Mr. Seitz, President of the Austrian Republic. Sir W. Goode, president of the Section, introduced to Mr. Seitz the delegates of the nine principal Powers, represented in the Section (Great-Britain, Italy, France, United States, Greece, Poland, Roumania, Yougoslavia and Czecho-Slovakia) and said that the Section was about to engage in the preliminary work. The Commission for Reparations had charged the Austrian Section, along with certain executive powers, with the mission to elaborate proposals about all questions concerning the execution of the treaty of St. Germain. Moreover, the Section had full powers of all the States having yet granted loans or advances for the reestablishment of Austria or being disposed to grant such loans in the future. After having alluded to the proposals of the note of May 21, Sir W. Goode reminded Mr. Seitz of the assistance the Allied and Associated Powers had given Austria in her most critical hours. Since the first meeting, the main care of the Section was the realisation of the advances destined to remedy Austria's misery. But in order to enable the Section to do useful work in the regeneration of Austria, it would be necessary to unite the Government and the people of Austria in the common endeavour to accomplish loyally and scrupulously, using all available forces and energies, the duties imposed by the Treaty of Peace and to make all possible efforts to maintain the public order.

In answering this address, the President of the Republic said: Austria had resolutely and unreservedly submitted under the conditions of the Treaty of Peace; she will hold her promises loyally. She wishes sincerely to keep all the obligations, in order to put an end to the general insecurity. The Austrian Government had declared itself ready to accept the propositions tendered in the dispatch of May 21, and had not petitioned for negotiations but in order to know whether the public administration, fettered already beyond measure by the pressure of needs of all kind, would not be entirely paralyzed by the new measures.

The Treaty of St. Germain gained legal power by the exchange of the ratification instruments. At this juncture, M. Cambon insisted also on the necessity of a concientions accomplishment of all the duties imposed upon Austria, but reiterated the formal promises of the Allied Powers to support generously Austria in her efforts to regeneration.

July 24, the representatives of the three Principal Powers (Great-Britain, France, Italy) remitted their credentials to the President of the National Assembly.

The control over the financial gestion of Austria in general and the safeguarding of the interests of the Creditor States, vested in the Reparations-Commission, was exercised thoroughly and unrelentingly by the Austrian Section of this Commission. This control was felt most sensibly, *inter alia*, during the debates concerning the capital-levy. The dispatch dated August 25, about the delivery of cattle and furniture proves that the Allied States had not yet renounced their rights, stipulated in the Peace Treaty; another fact of this state of mind is given by the temporary arrest of the loans granted to secure the repatriation of war prisoners, after the conclusion of the accord of Copenhagen. On the other hand, the Reparations-Commission continued to lessen in some points the burden of Austria; August 24, the Commission declared that the raw materials imported to Austria in order to be manufactured there, and the corresponding manufactured articles should be free from the general mortgage in order to enable Austria to entertain this immediate exchange between raw materials imported and manufactured goods exported.

In order to alleviate the existing difficulties and controversies between Austria and the other successional States of the Empire, the Reparations-Commission recommended to all Governments concerned the convocation of a special Conference, without delay, for the purpose of an exhaustive discussion about the means available for a settlement of commercial intercourse and the suppression of all undue prohibition of free communication. But the first duty of the Austrian Section seemed always to be the elaboration of a rational programme for the economic reestablishment of Austria. The Section elaborated a substantial and bulky Aide-mémoire, containing several propositions for a general scheme of reconstruction and submitted it to the Commission in Paris.

But this scheme of reconstruction seems to be never realised without the help of large credits and the warrant of uninterrupted supply of coal in sufficient quantities.

Austria had hailed the arrival of the Austrian Section in Vienna with enthusiastic cries of joy; in their misery, the Austrians had anticipated a new era of prosperity and never doubted an instant that the Austrian Section must be the panacea, able and willing to heal the mortal wounds of the terrible war.

The dispatch of May 21 desabused cruelly the credulous Austrians; it did not only refuse the help Austria had longed for, but remembered Austria the fact that the Commission had been established in the shape of a real sovereign ruler over the country. During the next months, seeing always postponed the promised credits and the public affairs running, with accelerated speed, to the unavoidable abyss, the Austrians were all the more inclined to ascribe all the responsibilities to the Austrian Section, in spite of their praiseworthy efforts to support Austria.

THE INTERALLIED CONTROL-COMMITTEES.

During the first part of 1920, the Principal Powers were represented in Vienna, conformable to the Armistice, by Military Missions. In March, the arrival in Vienna of the first party of the Control-Committees was reported. Three commissions, for Army, Navy and Aërial forces were to be constituted. The Peace-Treaty having not yet been ratified, the anticipated arrival in Vienna of these Committees was not justified but in order to accelerate the preliminary work of the Control-Committee.

The first party of the Army-Committee opened business mid-April, the second one mid-July. The Committee concentrated their efforts in the dissolution of the old Imperial Army, the organisation of the new Militia, the military and civil police-forces and the legislative and administrative measures concerning the military stores and the disposal boards. Afterwards, the new Militia was the principal matter of interest for the Committee; the military establishments and the civil factories working on purchased military goods were inspected. Public opinion was soon convinced about the fact that the Committee was discharging its duties and interpreting the prescriptions of the Peace Treaty

about armament, ammunitions and war-material in a most critical and illiberal way. The Committee was inclined to stop the free disposal of these materials even before the ratification or to submit any disposal thereof to the preliminary permission of the Committee. This interpretation, contrary to both the letter and the spirit of the armistice, compromised seriously the interests of the national industry; the Austrian Government succeeded in stopping the control until the moment the Peace Treaty had gained legal force.

In the same manner, the Control-Committee interfered often in the making and application of the law on military service, voted March 1920, and in the organisation of the new Militia, although both legislative and executive Powers had made their utmost effort to accord the new law with the provisions of the Peace-Treaty. But the most serious difficulties arose from the management of business in matters concerning the war-material, these matters hitting the very heart of industrial life in Austria and crippling the free exercise of industrial and commercial activity. The man in the street, ignoring all about the minute details of the dispositions of the Treaty, was all too quick in considering the whole business of the Control-Committee in the light of a gratuitous and deliberated vexation. On the other hand, certain provisions of the Treaty could not, even with all possible good will, carried through within the prescribed terms.

The first party of the Naval Committee convened in Vienna March 9. It was first occupied in dressing the inventory of the naval materials and visited, to this effect, a certain number of private establishments. This Committee was soon convinced of the fact that nowhere naval material was worked upon and all factories concerned had been already transformed or were about to finish their transformations for civil purposes. A few armour plates at Linz and some wooden carcasses destined for the construction of boats were the only objects destroyed by order of the Naval-Committee. In July, all persons concerned agreed that the first party, containing four Admirals and eight Superior navy-officers, not to speak of the numerous auxiliary personnel, had nothing more to do in Austria. To the general astonishment, the second party arrived in Vienna July 27. Considering the scanty naval material, the very existence of a Naval Committee seemed

to be a mere matter of form. The Chairman himself, Admiral Cagni, seemed to accelerate a prompt removal of the Plenary Commission from Vienna, causing enormous charges on the public expenditure. In fact, the Naval Committee leaved Vienna August 11

The first party of the Aërial Committee arrived in Vienna mid-April, the remainder in July. Austria not being allowed by the Treaty of Peace to entertain any air-craft, neither military nor civil, the business of this Committee is restricted to the control of destruction and disposal of aërial material and the dissolution of the military aërial unities. The exercise of the first named functions was even more detrimental to the interests of national industry than the activity of the Army Committee.

According to the statements made by the President of the Plenary Control Commission, the expenditure of the Army branch was 981.650 francs, that of the aërial branch 255.000 francs, making up a total of 1,236.650 francs monthly,*) equivalent to the moiety of the total military expenditure of Austria. This appalling burden has generated the legitimate wish to see reduced the personnel and the expenditure of the Committee to a more rational limit, the much more so as the work of the Committee seems to be almost finished, thanks to the cooperation of both Government and people of Austria in order to accomplish strictly and concientiously the provisions of the Peace-Treaty.

THE ADMISSION TO THE LEAGE OF NATIONS.

Since its first appearance, the idea of the Leage of Nations was enthousiastically hailed by the Austrian people. The Austrian policy, tending to the maintenance of peace, to reconciliation and a renewal of civilisation, had been declared as identical with the aims of the Leage by her first Chancellor of State.

The financial conference held at Brussels afforded to Austria the first opportunity of cooperating, under the auspices of the Leage of Nations, in an international concern, side by side with her foes of yesterday. All parties declared unanimously the enormous

*) The budget for the financial year of 1921 provides for the Commission of Reparation 7.5 millions of kronen (gold) equal to 975 millions kronen, for the Danube-Commission 150.000 french francs, equal to 5.85 millions kronen.

difficulties of the Austrian problem, to be solved only with the collaboration of all other nations.

After the convocation of the first assembly of the League of Nations at Geneva, Austria availed herself the opportunity to claim her rights to admission. November 9, the request was introduced to the Secretary-General and December 15, the admission of the Austrian Republic was carried unanimously. This prompt and unquestioned admission is a tangible and precious proof of public trust in the sincerity of Austrian policy and was, therefore, heartily welcomed by the Austrian people. As a member of the League, Austria has gained the very real advantage of being entitled to appeal against the intolerable financial and economic position enforced by the Treaty of Peace. Article 11 of this instrument enables Austria to attract the attention of the League to such circumstances as to influence upon international relations and to endanger the peace or the understanding between the nations. Article 19 empowers the Assembly to call its members to a revision of conventions or treaties liable to compromise the universal peace or having become obsolete or inapplicable. Lastly, article 88 authorizes the Council of the League to abolish the political insulation of Austria. Therefore, very material interests of Austria were at stake.

RELATIONS WITH CZECHO-SLOVAKIA.

Before leaving for Paris, the Chancellor of State had decided to send delegates to Prague in order to settle the political and economic questions between Austria and Czecho-Slovakia. During his stay in Paris, Dr. Renner availed himself of the opportunity of entertaining Dr. Benesch, the Czecho-Slovak Minister of foreign affairs, about the preliminary conditions of this conference. In this interview, the coal and sugar questions were the prominent topics.

January 9, 1920, the Chancellor of State, accompanied by the chiefs of the Finance, Commerce and Public-Health Offices, went to Prague. The political aim of this voyage was the settlement of friendly relations between the two countries; those conditions of the Peace Treaty the execution of which were only dependent on the mutual understanding of Austria and Czecho-Slovakia, should be carried to effect without delay, even

before the ratification of the Treaty. The questions of delimitation, naturalization, and public servants were to be resolved at once. Dr. Renner was charged too to initiate a normal commercial treaty in order to reestablish the interrupted traffic between the two countries. Finally, financial arrangements were to be made. The final effect of this voyage was an accord about certain questions of home and foreign policy, above all a mutual agreement about the common defence against any attempts of political or economic restauration. The two contracting parties agreed in renouncing all pretensions not backed by the Treaty of St. Germain.

It was not an alliance or an entente, but only a spontaneous collaboration in all vital questions what was resolved. Any attempt in the direction of a federation or a customs-house union was rejected; both parties agreed that the leading idea of both Austrian and Czecho-Slovak policy must be and remain the maintaining of friendly relations with all the States of Central-Europe. Seried negotiations, held alternatively at Vienna and at Prague, were foreseen. Special commissions for the study of the conditions of a future treaty of commerce were instituted.

Czecho-Slovakia promised the delivery of 30.000 tons of sugar. But the coal question, the most momentuous of all, remained unsettled, but Czecho-Slovakia subscribed to the obligation of sending 100 more daily waggons of coal than stipulated by previous compacts, and promised to enhance these quantities in the future. In ordre to settle this question too, a permanent mixed Coal and Railway-Committee was nominated. Following the visit of Dr. Renner at Prage, negotiations were continued in Vienna in view of the conclusion of a Compensation-treaty, with a final satisfactory result.

Although the voyage at Prague had not the expected immediate effects in economic matters, the moral consequences were not contemptible. Dr. Renner had at least succeeded to shake the fundament of hostility existing between Prague and Vienna; the semi-official "Tschecho-slowakische Korrespondenz" had the same impression in writing down these lines: "The only result of having effaced the afflicting and wicked past and of having ascertained the fact that the Czecho-Slovak Government is animated by the heartfelt wish to maintain friendly relations with Austria in order

to serve jointly the common interests, is worth congratulating both parties upon the interview of Prague”.

In his speeches delivered in Prague, Dr. Renner did not dissimulate his apprehensions about the Treaty of Peace. He stated frankly that the Treaty did not justice to the legitimate wishes and hopes of Austria; but he continued by saying that, under the given circumstances, Austria was bound to take the Treaty as a basis for her future policy. He concluded by expressing his conviction that, upon that basis, Austria would and could come to friendly relationship with her neighbours.

Without considering the fact that the Peace Treaty had severed from Austria vaste tracts of land, exclusively or mainly peopled by Germans, occupied by Czecho-Slovakia already before the ratification, the treaty had allotted to Czecho-Slovakia too several Austrian districts on the Austro-Czech boundary line near Feldsberg and Weitra in order to satisfy the alleged Czecho-Slovak railway-interests. In order to retain the town of Feldsberg, the Austrian Government proposed the construction of a junction line Eisgrub-Voitelsbrunn; but this proposal was not accepted. After the ratification, the Czecho-Slovak Government occupied the thirteen boroughs in question in the district of Weitra with the great junction and railway-factories of Gmünd, and the five boroughs of Feldsberg, in all 225 square kilometres and 22,500 inhabitants, almost all Germans. The international Boundary-Commission, charged with the final settlement of the Czecho-Austrian frontier line, commenced their work August 11 and terminated it, in the district of Gmünd, October 1st. The Commission added also the borough of Boehmzeil, suburb of Gmünd, with the terminus of the local provincial railways of Lower Austria, to the Czecho-Slovak territory, in order to assure to this State the unhempered exploitation of the railways ceded to Czecho-Slovakia. Some tracts of fertile land restored to Austria could not constitute a real compensation for the painful losses she had sustained.

The following negotiations, held at Prague, concerned a convention about the State-Archives, judicial records, public fine-arts collections, naturalization and the protection of national minorities, according to the provisions of the Peace Treaty. The Archives-Convention, signed May 18 and entered in force

October 29, is based upon the provenience principle. Concerning the works of art in the public Museums and Galleries, the Czecho-Slovak Government is authorised to exerce the right of pre-emption for all objects falling in the historical or intellectual sphere of the Czecho-Slovak nation. The materials preserved in the old Military Geographical Institute in Vienna and sold to Czecho-Slovakia were to be paid in raw materials.

The negotiations about the naturalization resulted in the Convention of Brünn, signed July 7, but not yet ratified.

This convention grants to all public servants the naturalization in the State where the service is performed; it settles the rules of the optional rights and grants a delay of three years for the removal to the State in favour of which the option was made. The two contracting parties bind themselves not to exile any subject of the other party but for superior interests of public order and security. The national minorities shall enjoy the right of using their language in their private schools and in their internal administration. The private primary schools, when in accordance with the general legal rules, shall enjoy the prerogatives of public schools. Austria engages herself to establish public primary schools for her subjects of Czecho-Slovak tongue in Vienna; after the general inscriptions, the number of classes will be determined so as that the number of pupils will be the same in the Czecho-Slovak and the German primary Municipality schools. The Ministry of Public Instruction had instituted, already in spring 1920, a commission for the study of the Czecho-Slovak school question in Vienna. Although the Convention of Brünn is not yet ratified, this Commission had ordered the inscription of the Czecho-Slovak pupils in Vienna for autumn 1920.

The Convention of Brünn will lose its effect after four years, lest it should be prolonged six months at least before the term.

A supplementary convention was signed at Carlsbad September 1920; the Czecho-Slovak Government agreed to maintain in the public service certain classes of schoolmasters and professors of German nationality, whereas the Austrian Government submitted to the condition of allowing the half of the educational staff of the Czecho-Slovak primary schools in Vienna to be subjects of Czecho-Slovakia.

In the first days of August, new negotiations were made in Prague concerning the lease of deposits in the Banking establishments and the mutual recognisance of the control-stamps on effects and values, preceding the lease. August 31, the convention concerning the legal state of industrial and transport enterprises entered in force. But the negotiations about the treaty of import- and export-contributory quotas, terminated February 9, are not yet ratified.

Presently, new transactions about a treaty of commerce are beginning.

RELATIONS WITH ITALY.

After the breaking-up of the old Austrian Empire, no point of litigation between Italy and the German people seemed to have survived. The boundary lines, delimitating the territories of German and Italian speaking peoples are everywhere unequivocal and traced by nature itself. But unfortunately, Italy did not account of this state of things and incorporated a great part of the German Tyrol. The Austrian Government attempted to negotiate directly with Italy in order to make her renounce this policy, but failed utterly. Although the Parliament of Rome, during the debates about the ratification of the Peace Treaty, acknowledged openly the unrightousness of this treaty, the Assembly ratified without alterations the instrument. Notwithstanding the repeated promises of an entire autonomy and self-government, to be granted to German Tyrol, this annexation will always remain an open wound until eventually healed by a decision of the League of Nations.

In all other matters, Italy had been the first country treating with Austria on a foot of entirely friendly neighbourhood. Italy had initiated the sending home of the prisoners of war, she was the first State according facilities in the execution of the Treaty of Peace, Italy had outpassed the other countries in concluding a treaty of commerce based on the principle of perfect reciprocity, she had first afforded hospitality to the starving Austrian children, the Italian troops were the first ones to evacuate Austrian territory and in all diplomatic matters, Austria enjoyed the support of the Italian Government.

In pursuance of an invitation of the Italian Government, the Chancellor of State, Dr. Renner, accompanied by the Secretaries of State in the economic offices went to Rome April 1920, thus before the ratification. He was expected to treat the particulars about the execution of the Treaty of Peace and many other economic questions.

The Austrian Mission was very heartily welcomed in Rome both by the Government as by the Italian people, both endeavouring to mark the fact of the first visit of a *ci-devant* enemy in the Capital of a belligerent State before the conclusion of peace. The King was pleased to express his sympathies for the young Republic; the Pope spoke of his deep compassion with the sufferings of the Austrian people and handed to Dr. Renner a million of lire destined to charitable institutions. The President of the Council of Ministers, Mr. Nitti and Dr. Renner attested the perfect harmony of interests between Italy and Austria. The Italian Government declared to be ready to reestablish without delay the economic relations with Austria and to help Austria in her efforts towards a prompt regeneration. In order to realise these wishes, the two Ministers of finance, supported by a number of experts, agreed, after exhaustive deliberations, upon the following conclusions:

The Italian Government accords an advance of 20,000 tons of grain upon the deliveries from America, not yet arrived in Italy, and promises similar advances in case of necessity. Italy is ready to participate in the international loans offered to Austria, with a share of hundred millions of lire. Italy will create a Clearing office to compensate the credits and debits between Austrian and Italian subjects; for the balance, terms espaced over several years will be granted. The Italian Government promises to grant the Austrians in Italy the same juridical, financial and commercial prerogatives reserved exclusively to the only Italian subjects by the stipulations of the Treaty of St. Germain. On the other hand, Austria engages herself to deliver to the Italian Government the detailed plans for the construction of the Railway-route of Predil (Julian Alps) in order to accelerate the execution of this line of junction between Italy and Austria. Italy promises to deliver to Austria, against defrayment of the supplementary transport-expenditure, the American and British coal necessary

to the maintaining of Austro-Italian railway-intercommunication. The Austrian goods in the Porto franco of Trieste or consigned thereto are free from any customs-or other similar duties as if they were Italian goods; for these goods, special warehouses shall be constructed or reserved; the conventions between Austria and the Italian Companies of navigation in Trieste shall be favoured by the Italian Government; in return, Austria promises to direct the moiety at least of her oversea-trade in the way of and from Trieste.

Finally, Italy engaged herself to support Austria in the defence of her territory, as settled by the Treaty of Peace and in her requests tending to her admission in the League of Nations. Both countries agreed to reestablish without delay the diplomatic relations in order to cooperate in the maintaining of the peace. Mr. Nitti reiterated spontaneously his formal promise of an entire autonomy for German Tyrol. April 1920, the Italian Government granted the exequatur for an Austrian Consulate-General at Trieste.

The Treaty of Peace authorized Italy to request from Austria certain works of art of Italian origin, preserved in the Austrian Public Galleries and Museums, the property title of which is missing. In controversial cases, a neutral arbitration court will settle finally. June 1920, a new convention was signed in view of a definitive settlement of all controversial cases in the delivery of works interesting the fine arts, the history of art, the bibliography and archives. In performance of this convention, a considerable number of treasures, carried away by the Italian Armistice Commission will be restored to Austria. The cimelias of the Vienna National Library; taken away as a pledge, shall soon be returned to Vienna.

THE RELATIONS WITH GERMANY.

After the break-down of the Austrian Empire, every expert in the public life of Austria predicted that Austria was cast for death under the present conditions. Theoretically, two remedies existed to save the life of this mole: either the reestablishment of the economic boundaries of old Austria-Hungary. in the shape of a Confederation of the Danube, or the union with Germany. The first remedy proved utterly impracticable. The scheme of uniting

seven sovereign States in an economic unity was chimerical; of course, none of them would sacrifice the smallest particle of its newly gained sovereignty. Therefore, the idea of a Danube Confederation was frustrated by the invincible opposition of those invited to form this league. But the scheme of a union with Germany, born out of the spontaneous national feelings of the people and nourished by the growing difficulties in the daily life, developed steadily, carrying along even those who were, at the outset, the most stubborn antagonist of this scheme. Germany too, hesitating first at the idea of the new burden of nourishing her Austrian children in spite of her own distress, was finally more and more convinced of the inevitable ultimate issue.

But this common wish of both countries is not to be realised as long as the Treaty of St. Germain is in full force. This Treaty proclaims first the full sovereignty and independence of Austria and binds her union with Germany to the approval of the League of Nations. Matters standing thus, Austria had only one way: struggling for her economic prosperity with the help of the Entente and to leave to the future the realisation of her hopes.

Therefore, the Austrian Government abstained henceforward anxiously from any action contrary to the provisions of the Treaty about the independence of Austria. But no sensible politician will believe that the relations between Austria and Germany will be confined to some judicial conventions or to the Treaty of Commerce, signed September 1st at Munich. The force of gravitation, engendered by the unity of tongue, feelings and civilisation, will prove in the last run stronger than any diplomatic paper. This power is visible everywhere in the daily life; the Kapp's upheaval in Berlin March 1920, had a deep repercussion in Austria; the commercial balance shows the crushing superiority of German imports to and exports from Austria; but public opinion is and will be in the future the first asset in this bill.

The provincial Assemblies used to invite from time to time the Central Government to urge the abolition of the clause prohibiting the union with Germany. In some countries bordering Germany, a lively propaganda is at work to force the union, without or against the Central Government. In Vorarlberg the tendency is rather to make a union with Switzerland.

During the autumn of 1919, these popular movements were so strong as to decide the Supreme Council to a dispatch to the Chancellor of State, staying in Paris at this moment, stating that the Allied and Associated Powers would be obliged to oppose material resistance to any attempt of endangering the integrity or the political or economic independence of Austria. But the exhortations of the Government vanished in the turmoil of the cries of distress. Not only the urban population, suffering more immediately by the general misery, but even the peasantry claimed the immediate union. The meeting of the little landowners, held at Linz in April 1920, voted unanimously the union. September 7, the Pangermanists Congress at Salzburg invited the National Assembly to vote a law prescribing a general plebiscite about the union with Germany, along with the general elections. In the last meeting of the National Assembly, October 1st, 1920, a similar motion of the Pangermanist Party was rejected, but a motion to the effect of prescribing the general plebiscite within the following six months, was carried unanimously.

RELATIONS WITH YOUNGOSLAVIA.

After the ratification of the Treaty of St. Germain, Youngoslovakia was obliged to evacuate the territories, occupied by her army but eventually allotted to Austria. Thus, the districts of Radkersburg, Spielfeld, Soboth and others, situated in Styria, were restored to Austrian administration. In the question of the basin of Abstell, severed from Austria by the Treaty of Peace, it is hoped that an amiable arrangement with Youngoslovakia will be obtainable. If not, Austria shall address a petition to the League of Nations tending to the grant of a plebiscite in this districts as well as in some others situated in the basin of Marburg (Styria) and Mies (Carinthia), the inhabitants of which are mostly Germans.

The Treaty of St. Germain had already provided a plebiscite in the basin of Klagenfurt. The plebiscite territory was divided in two zones: the northern zone (B) with the chief place of Klagenfurt, was not called to the plebiscite but in the case as the southern zone (A) should decide in favour of Youngoslovakia.)*

*) The zone A contains 1727 square kil. with 72.138 inhabitants (whereof 22.579 Germans), the zone B 372 square kil. with 58.610 inhabitants (whereof 50.652 Germans). The figures from the census returns of 1910.

The entire territory was placed under the control of an International Commission charged with the task of preparing the plebiscite and granting an impartial administration. July 15, 1920, the Plebiscite Commission arrived at Klagenfurt; the members discharged their ungrateful and difficult duties with untiring abnegation and accelerated the work so that the plebiscite, fixed by the Treaty in the zone A within three months after the ratification, could be carried through October 10.

In conformity with the provisions of the Treaty, the Commission withdrew the Yougoslavic troops from the zone A September 10. The effective withdrawal was finished only a week later. The numerous abuses committed by the Yougoslavic administration in the zone A and the cruelties of the Yougoslavic emissaries in this country determined the Austrian Government to present repeatedly complaints against this state of things to the Conference of Ambassadors and to request the sending of interallied or neutral troops to warrant an impartial working of the plebiscite apparatus. The Ambassadors did not agree to this proposal, but they sent, October 6, 150 officers charged with immediate control of the plebiscite operations.

THE RETURNS OF THE PLEBISCITE:

Districts:	Votes for	
	Austria	Yougoslavia
Rosegg	1980	2331
Ferlach	6428	4984
Bleiburg	5140	5339
Völkermarkt	8304	2442
total	21,852	15,096

Therefore, 59.14% had voted for Austria. A notable fraction of the slavic part of the inhabitants have voted for the young Republic, a striking proof of the unrighteousness of severing vast tracts of lands from Austria without taking in account neither the national feelings nor economic interests.

The delight the results of this plebiscite had caused in Austria was somewhat marred by the fact that the next day, two bataillons of Yougoslavie troops penetrated the territory. The Austrian Government protested energetically both at Paris as at Belgrade, against these arbitrary proceedings. It was not but October 25, that the Yougoslavie troops evacuated the country, thanks to the prompt intercession of the Conference of Ambassadors.

The economic relations between Austria and Yougoslavia were confined, during the year of 1919, like those with other neighbouring states, to an exchange between imported raw materials and exported manufactured goods, based on the principle of compensation. January 19, 1920, a supplementary convention was enacted, settling on a new basis the exchange rates of the two currencies, determined previously by a convention dated September 1st, 1919. Further more, Yougoslavia warrants to Austria the delivery of certain determined quantities of raw materials in exchange of manufactured commodities. At the day of the revocation of this treaty, the total amount of goods exported and imported by both States, was 310 millions of kronen.

Negotiations about a provisional treaty of commerce, having begun June 1st at Belgrade, were terminated June 27. This was the first normal treaty of commerce between Austria and a foreign state. Besides, a convention about the delivery of certain contingents under immediate balance-accounts and a convention about the letting of railway engines from Austria, were concluded. An agreement about the supply of grain from Yougoslavia was forthwith enacted.

Similarly as with Czecho-Slovakia, Austria made an agreement with Yougoslavia about the question of Archives.

RELATIONS TO HUNGARY.

Hungary was the last State entering in friendly relations with Austria. By the readiness to accomplish without mental restrictions the oppressive duties imposed by the treaty of peace, Austria had won the sympathies of the world at large and the confidence of her neighbours. Austria had to cede to almost all neighbouring states vast tracts of land undoubtedly or exclusively inhabited by people of German race; Austria underwent these cessions

with bleeding heart but without delay; she renounced to the easy temptation to create or to foster in these tracts of country an irredentistic movement. But of course, Austria will not, if even she could, resign the only gain the treaty of peace has bestowed on her, viz. that part of German Western Hungary, commonly called Burgenland. This country, having belonged sometimes to Hungary, sometimes to Austria, had been ever since one of the principal feeders of Vienna in agricultural products and therefore of much lesser economic interest for agricultural Hungary than for Austria. Hungary declares not to submit to the cession of this country. Certainly, Hungary is authorised to continue the occupation of this tract of land till the ratification of the treaty of Trianon, but it is easily understood that the attitude of Hungary is apt to cause unrest and diffidence in Austria. Unofficial Hungary declares repeatedly the impossibility of a cession of German Western Hungary to Austria; a lively anti-Austrian agitation is maintained in the country and the pro-Austrian partisans are persecuted and imprisoned. The only official declaration of Hungary was a diplomatic note of February 14, 1920, proposing to the Austrian Government a plebiscite under the control of the Hungarian authorities. Of course such a plebiscite, besides being expressly forbidden by the Supreme Council at Paris, would be a mere farce and was therefore declined by Austria. The numerous complaints for terrorist proceedings, recruitments, requisitions, preparations of wholesale plundering in the case of evacuation, brought before the Austrian authorities by deputies from German Western Hungary, all this determined eventually the Austrian Government to demand redress before the Conference of Peace.

February 25, 1920, the Austrian Government received a note from the President of the Peace-Conference, saying that, in consideration of the disquieting news from the counties of Western Hungary, the Conference had resolved to send an inter-allied military commission to Oedenburg, chief place of these counties. The inter-allied Commission was to contain also two Austrian delegates. Although the Allied Powers had, by the nomination of this military commission at Oedenburg, implicitly reiterated their decisions concerning German Western Hungary, the Hungarian Government continued to consider this land as purely Hungarian; in march 1920, when the Austrian bank-notes were labelled, a

fee of 10% was levied from the proprietors and a forced loan of 40% of the labelled bank-notes was taken.

In a hardly less sensible manner than the Western-Hungary question, the internal political struggles in Hungary led to dissidences between the two States. During the period of the Communist rule at Budapest, all the anti-communist Hungarian politicians sought and found asylum at Vienna. On the other hand, the Bolchevists at Budapest entertained at Vienna a lively propaganda, hoping to gain an effective influence in the Austrian political and governmental spheres. The same spectacle, but with interchanged parts, was performed after the overthrow of the Bolchevist regime in Hungary. Most of the Bolchevists had fled to Vienna. Therefore, after consulting with the representatives of the Entente at Vienna, the Austrian Government concluded with the legal Hungarian Government the following agreement:

**CONVENTION BETWEEN THE GERMAN-AUSTRIAN AND
THE HUNGARIAN GOVERNMENTS CONCERNING THE
RESIDENCE OF THE COMMUNISTIC DELEGATES OF THE
HUNGARIAN PEOPLE IN THE TERRITORY OF AUSTRIA.**

In view to support the new Hungarian Government in their efforts to maintain the order and tranquillity, the German-Austrian Government declares being willing to accord an asylum in the Austrian territories to the communistic delegates of the Hungarian people and their subordinates, viz: Béla Kun, Eugen Landler, Ernest Por, Bela Vargo, Joseph Poganyi, Francis Rakos, Emil Madarász, John Hirosak, Eugen Varga and Julius Lengyel.

This asylum is to be warranted under the supposition that they will abstain absolutely from any political activity. The granting of this asylum is dependent on the condition that their sojourn in the Austrian Republic may not cause any trouble in the internal or external policy of Austria. If this should happen, the Austrian authorities reserves to themselves the right of using their own discretion. The abovenamed persons shall return to Hungary as soon as the internal situation of this country will permit their sojourn in Hungary. The Austrian Government feels obliged, as well in its proper interests as in view of warranting the personal safety of the above-named persons, to restrict their liberty of residence and to confine them in a locality chosen by the Austrian Authorities

Vienna, August 2, 1919.
For the Austrian Foreign-office:
I p p n.

In the name of the Hungarian Government:
W. Boehm, minister.

Although Austria was bound, if not by this treaty, yet by the rules of international law, to give protection to those persons, the antirevolutionary Hungarian Government, once constituted, requested the delivery of the communistic delegates under the charge of crimes against the common law. The High-Court at Vienna, called to decide the matter, declared the suspicions and proofs alleged by the Hungarian Government insufficient to justify an extradition. Therefore, the refusal of extradition by the Austrian Government was unavoidable. The charges of the Hungarian Government against Austria with the support given to the escape of the Hungarian communists from Austria to Russia were not less substantiated. The above-mentioned convention does not bind Austria to maintain infinitely the Hungarian communists in Austria; on the other hand, the Convention of Copenhagen granting the return of the Austrian prisoners of war, retained in Russia, obliged Austria to send to Russia the Hungarian communists. By eluding this condition, Austria would have compromised seriously the rescue of those infortunate victims of the war.

June 20, 1920, the International Workmen's Association declared the general boycott against Hungary; in Austria, the syndicated workmen, most of the Post-, Telegraph- and Telephone-employees and the railway-men declared themselves pro boycott. The Austrian Government, in conformity with all the other Governments, maintained a neutral attitude. An order from the Secretary of State for Communications, tending to facilitate the service of the antiboycott employees, was condemned to remain ineffective in the face of the resolute disobedience of the majority of the railway-men. On the other hand, the Chancellor of State, Dr. Renner, offered his good services for the negotiations between the Hungarian Minister at Vienna and the international Boycott-Committee. But the discussions failed and the boycott continued. The Hungarian Government answered this boycott by a counter-boycott, directed exclusively against Austria, involving enormous prejudices for the people of Vienna, depriving them of the regular supply of victuals and fruits from Hungary and interrupting the consignment of coals from the collieries of the Viennese Municipality, situated in Hungary. August 8, the boycott was broken up.

It follows from the preceding remarks that the Austrian

Government had not deserved the reproofs directed from Hungary in this matter too.

But the grievances of Austria about the violations of the sovereignty of Austria and the interferences in the internal affairs of this country by the Hungarian authorities are well-deserved. Repeatedly, officers of the Hungarian army had kidnapped at Vienna Hungarian subjects enjoying the official hospitality of Austria, in view of delivering them to the Hungarian authorities. The Hungarian Government tolerated and countenanced the formation of gangs, composed of Austrian Army-officials and gathered in the cantonments of Zala-Egerszeg near the Austrian frontier. The hardly disguised design of these gangs was to invade by force of arms, in the nick of time, the Austrian territory. The Hungarian frontier-guard furthered notoriously the crossing of the frontier by Austrian commissioned officers and soldiers enlisted for the service in the cantonments of Zala-Egerszeg. The complaints of the Austrian authorities about those plots remaining without effect, the Austrian Government was obliged to appeal to the Conference of Ambassadors at Paris. In the night of June 30, about three hundred Hungarians invaded the Austrian province of Styria, disarmed the custom-house officials and police-soldiers and plundered the ammunition-dépôt at Fürstenfeld near the Austro-hungarian frontier. This time too, the complaints of the Austrian Government were passed in silence by Hungary. In the night of August 20, another coup de main was tempted at Prellenkirchen in Styria. An order of the Hungarian Commander-in-Chief, announcing military manoeuvres in Western Hungary was palpably calculated to exasperate the public opinion in Austria; of course, these manoeuvres never came to pass.

Notwithstanding all those frictions and misunderstandings the two Governments agreed about the necessity of an economic reconciliation. Already in 1919, negotiations about the restoration of the commercial intercourse were inaugurated. In January 1920, these negotiations were terminated with the renewal of the commercial relations, interrupted almost totally since the great collapse. After the extinction of this accord, fresh negotiations were made, resulting in a treaty of export- and import-compensations, valid till the end of 1920. In the autumn of 1920, the negotiations were resumed, in view of substituting an ordinary treaty of commerce in lieu of the treaty of compensations.

December 18, a provisional commercial convention was signed, in the main outlines similar to the Austro-Rumanian and Austro-German economic treaties. Furthermore, conventions were made about the Austro-Hungaro-Rumanian railway-traffic and the passport-regulations, as well as about the protection of trademarks and copyrights. A convention was made concerning the frontier-traffic, another abolishing troubles at the custom-houses and at the examination of passengers' luggage, another about defraudations of the customs, about the reduction of custom-houses, a convention concerning epidemic diseases of animals and finally an accord about the mutual recognition of commercial certificates.

The treaty of compensations, valid till December 31, was prolonged for another two months, with augmentation of the several contingents.

Unfortunately, the Hungarian Government postponed the ratification of the commercial convention after the decision of the Conference of Ambassadors about the cession of German Western Hungary, published December 1920. This decision provides for the transfer of this country to the principal Allied Powers, who shall remit it to Austria. The transmission shall take place under the control of the international Commission at Ödenburg, occupied with the study of the particulars of this operation. Several officers of the allied armies are attached to this commission.

GERMAN WESTERN HUNGARY:

Urban and rural communities:

German	Magyar	Croate	others	total
306	12	71	—	389

Population:

German	Magyar	Croate	others	total
313.890	98.405	56.377	22.417	491.089

Area: 5378.95 square km.

THEREOF ADJUDICATED TO AUSTRIA:

Urban and rural communities:

German	Magyar	Croate	others	total
276	7	62	—	345

Population:

German	Magyar	Croate	others	total
245.714	44.191	49.374	5803	345.082
In percents: 71.2	12.8	14.3	1.7	100

Area: 4360.63 square km.

OTHER ECONOMIC CONVENTIONS.

February 1920, transactions about the conclusion of a treaty of compensation had begun with Roumania. This transactions having failed, the Austrian Government dispatched, after the ratification of the Peace Treaty, delegates to Bucharest, in order to negotiate the reprisal of commercial intercourse. August 14, a provisional commercial convention and a compensations treaty were concluded, both operative during a twelvemonth, and signed September 25. The provisional commercial convention re-enacts verbally most of the paragraphs of the ancient treaty of commerce between Austria-Hungary and Roumania. It reestablishes the most-favoured nation clause, not only for customs-house matters, but also for individual prerogatives and the indifferent treatment of strangers and proper subjects in passenger and goods transport matters. The contingent treaty enumerates certain quantities of goods enjoying the privilege of free exportation.

March 6, the commercial treaty of commerce between Austro-Hungary and Switzerland, concluded March 6, 1906, was renewed.

January 1920, the Austrian Government signed a convention with Poland about the treatment of personal property and movables belonging to subjects of either of the two contracting parties and deposited in the territory of the other. The Polish Government promised to withdraw all enactments tending to the provisional seizure of personal property belonging to Austrians. March 17, a contingent treaty was concluded. Transactions about a treaty of commerce resembling that made with Roumania, shall begin henceforward.

November 16, a treaty of commerce on the basis of the most-favoured nation clause valable till August 1921 was concluded with Bulgaria.

In the same manner, a convention containing the most-favoured nation clause was made with the Principality of Liechtenstein.

In the month of August, the State Secretary of finance went to Paris and London to solve the question of the repayment of the Austrian pre-war debts and the liquidation of the Austrian private property in France and England. The first named country accorded, for the repayment of debts in foreign values, terms extending to five, under exceptional circumstances to ten years. The Austrian Government declared themselves bound by a joint liability with the Austrian private debtors. Great-Britain vouchsafed facilities in comparison with the stipulations of the Peace Treaty, without insisting on reciprocal terms. For the payment of the amount of balance incumbent to the Austrian Clearing-Office, terms extending to a great number of years were granted.

Transactions with other countries about the pre-war debts are going on.

THE AUSTRIAN LEGATIONS.

(State of march 1, 1921.)

BELGRADE: Chargé d'affaires: Councillor Max Hoffinger.

BERLIN: Chargé d'affaires: Councillor Nikolaus Post (Attaché for the press: Hugo Schulz).

BERNE: Chargé d'affaires: Johann Seidler (Attaché for the press: Karl Wollanka).

BUDAPEST: Minister plenipotentiary: Dr. Johann Cnobloch (Attaché for the press: Hermann Blumenkranz).

HAGUE: Minister plenipotentiary: Franz Calice.

LONDON: Minister plenipotentiary: Georges Franckenstein (Attaché for the press: Dr. Max Bach).

MADRID: Chargé d'affaires: Councillor Dr. Johann Gagern.

PARIS: Minister plenipotentiary: Dr. Johann Eichhoff (Attaché for the press: Dr. Paul Zifferer).

PRAGUE: Chargé d'affaires: Councillor Dr. Ferdinand Marek (Attaché for the press: Franz Rösner).

ROME: Minister plenipotentiary: Dr. Rémi Kwiatkowski (Attaché for the press: Dr. Iwo Jorda).

ROME (Holy See): Minister plenipotentiary: Dr. Ludwig Pastor.

WARSAW: Chargé d'affaires ad interim: Dr. Alfons Knaffl-Lenz.

HOME AFFAIRS.

After the ratification of the Peace Treaty, transactions in view of an new coalition between the Socialist and Christian-Social parties were resumed. The new Government, like the former one, was composed principally by representatives of these two parties. A purely socialist or an exclusively bourgeois Cabinet was out of question, a coalition being the only means to accomplish the formidable task imposed upon the National Assembly. Only an intimate collaboration between the two parties, otherwise diametrically opposed to each other in the political aims and interests could overcome the growing difficulties and internal struggles. But this opportunistic coalition was not calculated to gain the public sympathies. The syndicated workers, seeing their ultimate goal, the socialisation of labour, postponed and declared unattainable under the present political conditions, claimed loudly the withdrawal of the socialistic members from Government. The middle classes and the small landowners awakened; they prophesied an entire overthrow of the socialist parties at the next elections, owing to the general discontentment; the little bourgeoisie and the peasantry attributed the public miseries to the destructive activity of the Socialists; the Christian-Social Party, seeing the most important seats in the Cabinet occupied by Socialists, denounced loudly the disadvantages of the Coalition.

The question of the new Militia was the match on the powder-barrel. In the meeting of the Christian-socialist Party, held in March at Linz, the provisions of the Militia-bill were declared unacceptable; but soon afterwards, under the impression of the Kapp-upheaval in Berlin, a provisional understanding about this matter was obtained. In the home affairs, the question of priority, whether the capital-levy bill or the Constitutional law were to be considered the most urgent task, divided the two parties, the Socialists insisting on the first, the Christian party on the second alternative. In popular meetings arranged by the Socialists, the clamour for partial confiscation of private property was general, but the Christian-Socialists insisted with ever growing energy on the final settlement of the Federal Constitution, warranting the Provinces the much needed autonomy and self-government.

After the first meeting of the National Assembly, the nationalist deputies gathered in a great Pangermanist Party. April 18, 1920, those deputies assembled at Linz in order to determine the principles to be observed in the coming debates about the Constitution and to lay down the statute rules of the newly constituted Party. The Pangermanist platform sets forth the national, liberal, anti-Semitic, democratic and republican principles. A committee was constituted in order to draft the organic rules of the new party and August 8, the managing committee was elected.

The wide discrepancies in the general politic views of the two leading governmental parties led to a closer cooperation between all the bourgeois parties in the Parliament. Juni 1st, the former socialist State Secretary Mr. Otto Bauer declared emphatically in the meeting of the General Workers Council, that the coalition was generally considered unavoidable. But the same day, the official paper "Wiener Zeitung" published the enactment concerning the constitution and election of the Soldiers Councils; this question proved to become the first cause of the rupture in the coalition.

In the meeting of the National Assembly of June 10, the Pangermanists addressed a question to the military State Secretary about the constitution of Soldiers Councils. The interrogators, joined by the whole Christian-Social party, pretended that the

State-Secretary was not legally authorised to make such an enactment and that the said enactment was in itself utterly illegal and contrary to the standing Military Service Law. In the riotous debates following the interpellation, the leader of the Christian Social Party, Mr. Kunschak, declaring advisable the immediate rupture of the Coalition, was hailed with frenetic applause. Under the weight of this spontaneous demonstration, the Socialist Secretaries of State demissioned, followed by the Christian Socialist Secretaries.

The Socialist Party declared that in this juncture, the Bourgeois parties were constitutionally bound to take in hand the Government; but the Christians and Pangermanists refused and proposed a Cabinet composed of state-functionaries. The Socialist reserved themselves ultimate decisions, so the crisis was not yet conjured. June 24, the Cristian-Social members of the Cabinet, having hitherto continued, like their socialist colleagues, the discharge of their duties, requested and obtained their dismissal from the President of the Republic, so that only the Socialists and a few fonctionaries remained in the Cabinet. This state of affairs not being likely to continue indefinitely, the National Assembly carried a socialist motion tending to close the session, to proceed forthwith to new elections, and to entrust the dispatch of the most urgent business (capital-levy law, constitutional law) to a Cabinet composed proportionally of all parties in Parliament. The "Proportion Cabinet" was constituted July 7; each party nominated delegates without assuming a joint responsibility; therefore, the posts of State Chancellor and Vice-Chancellor were suppressed and the Secretary of State, Dr. Michel Mayr, was entrusted with the presidency of the Cabinet. The general elections were appointed to October 17.

The new electoral law had augmented the number of deputies to 175; fifteen mandates are reserved for the remainder of votes put together from all electoral circonscriptions and distributed to the different parties proportionally. The frontiers of Carinthia not being settled until the returns of the plebiscite of October 10, the elections in this country were postponed till a later date. Provisionally, the former deputies were admitted to continue the exercise of their mandates. Until further provisions, the Burgenland has no representatives in the National Assembly.

RETURNS OF THE GENERAL ELECTIONS OCTOBER 17, 1920.

Provinces	Christian-Socialists	Social-Democrats	Pan-germanists	Small land-owners Party	Czecho-Slovaks	Bourgeois Labour Party	Communists	National-Socialists	Nationalist Jewish Party	Democratic	United Christian National Party
Vienna	279,291	435,087	88,195	2,203	37,868	30,902	14,034	7,298	18,358	9,380	4,558
Lower Austria	332,562	214,293	83,339	16,582	1,134	1,598	5,580	9,924	882	—	2,195
Upper Austria	216,280	104,709	65,709	1,945	—	—	2,347	—	177	—	—
Salzburg	43,471	25,445	21,583	268	—	—	853	—	—	—	—
Styria	175,545	140,720	46,985	46,083	—	—	3,053	5,411	403	—	2,304
Carinthia	—	—	—	—	—	—	—	—	—	—	—
Tyrol	93,822	29,184	20,078	335	—	—	771	1,379	—	—	—
Vorarlberg	38,172	11,671	7,887	5,873	—	—	—	—	—	—	—
Total	1,179,143	962,109	333,776	73,289	39,002	32,500	26,638	24,012	19,820	9,380	9,057
In per cents	43.53	35.52	12.32	2.71	1.44	1.20	0.98	0.87	0.73	0.35	0.33
Mandates (including Carinthia)	79	62	13	5	—	1	—	—	—	—	—

The proportion between the suffrages obtained by the different political parties had materially changed since the election for the Constituant, February 16, 1919. The Christian-social Party, having collected in 1919: 1,068,382 votes or 35.93% of legal votes, had obtained in 1920: 43.53%, whereas the Socialdemocratic Party, numbering 1,211,814 votes in 1919, had fallen from 40.76% to 35.52%. The progress of Pangermanists, not yet constituted as political party in 1919, is difficult to ascertain precisely. The Czecho-Slovaks and the Nationalistic Yews, having obtained each one mandate in 1919, did not succeed in obtaining in any circonscription the required number of votes. The Czecho-Slovak votes had diminished by 26,130, the percentage from 2.74 to 1.44, an effect of the emigration from Vienna to Czecho-Slovakia. The complete discomfiture of the Communistic Party, appearing for the first time as a constituted political party, is a striking proof of the sober and judicious sense, the Austrian industrial workers have exhibited even in their present unfortunate situation. At the elections for the Labour-Councils in 1919, the Communists had obtained 8.1% of the votes, but at the general legislative elections, only 2.69% of all proletarian votes were given to communistic candidates, although the "New Left Wing" of the Socialist Party had joined the Communists. The Legitimist Party, disguised under the label of "United Christian National Party", had suffered an even more sensible defeat; there seems in Austria little room for a monarchist propaganda in the next future.

The returns of female and manhood-suffrages having been specified this time, the remarkable differences of political opinions between both sexes can be exactly ascertained. The total number of female votes exceeds the male ones in all circonscriptions; but the female suffrages in favour of the Socialist party were sensibly inferior to the votes of men. For the Communists, the excess of men is about 4000. In the contrary, the Christian-Social Party has obtained 167,647 female and 111,644 male votes, 61% of christian-social partisans belong to the gentler sex.

The remaining votes were as follows:

Pangermanists	166,174
Christian Socialists	93,036
Social-Democrats	95,916

Small land-owners	36.280
Bourgeois labour-Party	18.436
Independent Christian Socialists in lower Austria . . .	11.481

According to these returns, the Pangermanists obtained seven, the Socialists four, the Christian Socialists three and the Small land-owners Party one more mandate in the new Parliament.

Number of mandates:

	Total number	Christian Socialists	Social-democrats	Pangermanists and small land-owners	Bourgeois labour Party	Czecho-Slovaks	Nationalist Yews
Constituante	170	69	72	26	1	1	1
National Assembly	175	82	66	26	1	—	—

The President of the National Assembly convoked the new Parliament for November 10. At this date the federal Constitution of the Republic took effect; by this fact, the National Assembly was to become National Council and its President was designed to accomplish the duties of Supreme Executive Power until the election of the first President of the Federation by the Federal Assembly.

The elections for the Federal Council, held in November, had the following results:

Provinces	Mandates	Christian Socialists	Social-Democrats	Pan-germanists
Vienna	12	4	8	—
Lower-Austria	10	5	4	1
Upper-Austria	6	3	2	1
Styria	6	3	2	1
Tyrol	3	2	1	—
Salzburg	3	2	1	—
Vorarlberg	3	2	1	—
Carinthia	3	1	1	1
	46	22	20	4

The Federal Council resembles, in respect of the percentage of the political parties, quite closely the National Council.

The presidency of the Federal Council is conferred, in the first run, to the first delegate of Vienna (for the moment the Mayor of Vienna Mr. Reumann). Afterwards, the provinces will alternate in the presidency, in alphabetical order, for terms of six months.

The Federal Assembly (united Federal Council and National Assembly) is composed of:

104 Christian-Socialists

86 Social-Democrats

30 Pangermanists.

The Christian-Socialists being now the most numerous party, the Socialists Union declared October 22, that according to the fundamental law of Democracy, that party must necessarily assume the responsibility of Government. The Socialists declined peremptorily any collaboration and invited their members in the Government to tender their demission. The same day, the Socialist State-Secretaries retired, whereas the other members of the Cabinet continued their functions. The composition of the new Cabinet was beset with difficulties of every description. At first, an attempt was made in the direction of a Cabinet entirely composed of politically neutral functionaries, but in the very last moment, this scheme failed. November 1920, the new Cabinet was elected by the joint votes of Christian-Socialists and Pangermanists. The council of ministers is composed of four christian-social and six neutral members. Dr. Mayr, president of the preceding Cabinet, was nominated Chancellor of the Federation. During the debates about the programme of the new Government, the leader of the Pangermanist party professed a benevolent neutrality towards the Cabinet. The Socialists are to constitute the future opposition.

December 8, the Federal Assembly convened for the election of the President of the Confederation. December 9, Dr. Michel Hainisch was elected President. Although elected by the votes of the bourgeois parties only, the new President enjoys personal sympathies of all political parties; thus, this election was unanimously considered as auspicious for the next future of the new Republic.

POPULATION.

The territory of Austria, as determined by the Treaty of St. Germain, has an area of 84,000 square kilometres and about 6½ millions of inhabitants, 90% of them being of German origin.

The last general census included only the territory not occupied by foreign powers; therefore, Carinthia and Western German Hungary are not comprised in the census returns. The territories within the range of the census operations have an area of 78,061 square kil.; in this area were returned:

1910:	1920:	Decrease since 1910:
men . . 3,110,142	2,904,478	205,664
women . 3,184,497	3,162,952	21,545
<u>total . . 6,294,639</u>	<u>6,067,430</u>	<u>227,209 (= 3·61%)</u>

The returns for Vienna are:

1910:	1920:	Decrease since 1910:
	men . . 851,793	
	women . 990,212	
2,031,498	<u>total . 1,842,005</u>	189,393 (= 9·33%)

Out of all provinces, only Upper Austria and Tyrol show a feeble increase, compared with the returns of 1910; lower Austria and Vorarlberg having suffered material losses, Carinthia, Styria and Salzburg indifferent decreases. But compared with the returns of 1914, all provinces have decreased, mostly Vienna (9·33%). Lower Austria (without Vienna) having decreased less than Vorarlberg and Carinthia, much less so Salzburg, Tyrol and Styria. The least decrease, compared with 1914, had suffered Upper-Austria.

Inhabitants of the Austrian Provinces:

Vienna	1,842,005
Lower Austria (without Vienna)	1,470,505
Upper Austria	857,234
Salzburg	213,877

Styria	947.221
Carinthia (without Plebiscite territory)	297.018
Tyrol	306.126
Vorarlberg	133.033

The Plebiscite territory of Carinthia numbered 1910: 130.700, the Burgenland about 345.000 inhabitants.

Out of 100 inhabitants, 50.₉₂ had a determined vocation, 17.₃₄ were housewives, 31.₇₄ (mostly children) without vocation.

Out of 100 inhabitants occupied in a determined vocation, 31.₀₀ were occupied in agriculture or forest-culture, 33.₂₆ in industry 12.₁₇ in commerce, and transport, 8.₈₁ in public service, 2.₀₀ in liberal arts and 11.₂₆ in household. Of the total sum, 584.512 or 18.₀₅ % exercised their vocation on their own account, 2,500.090 or 81.₀₅ % as employed or salaried persons.

Out of the 984.034 persons occupied in agriculture and forest-culture, 284.775 (whereof 41.423 women) are independent and 699.259 (whereof 305.048 women) are employed or salaried. Out of the 1,026.004 persons occupied in industry and manufacture, 185.961 (whereof 32.376 women) were returned independent and 840.043 (whereof 215.478 women) dependent. Of the 375.248 persons occupied in commerce and transport, 86.445 (whereof 20.309 women) are independent and 288.803 (whereof 85.521 women) are employed or salaried. Out of 80.294 persons in the liberal arts, 27.331 (whereof 7634 women) exercised their vocation on own account, and 52.963 (whereof 21.781 women) as employed or salaried persons.

The 271.803 persons in public services (4.₄₀ % of the whole population) comprehend 212.118 men and 59.685 women; of the 347.219 person occupied in household work, 21.247 are men and 325.972 women.

Vienna contains 46.₅ % of all Austrians occupied in industry and manufacture, 68 % occupied in commerce and transport, 43 % of the public servants and 50 % of the persons exercising liberal arts.



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